



# Draft Fylde Affordable Housing Supplementary Planning Document

November 2019



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## **Consultation Information**

This draft Supplementary Planning Document (SPD) on Affordable Housing has been prepared following input from stakeholders at the earlier Scoping consultation. Councils are required to consult on a draft SPD before it is adopted (Regulation 12 of the Town and Country Planning (Local Planning) (England) Regulations 2012). This consultation therefore invites representations on the Draft Affordable Housing SPD. The Draft SPD is accompanied by the Statement of Consultation, as also required by Regulation 12. The Statement of Consultation sets out the results of the earlier consultation of November 2018 to January 2019 on the scope of the SPD, and how the comments made have informed the preparation of the document. It also includes the Strategic Environmental Assessment Screening and responses by the three statutory consultees to consultation on it. The screening document concludes that SEA is not needed on the SPD. The statutory consultees concur with this conclusion.

This consultation runs from 7<sup>th</sup> November 2019 to 5<sup>th</sup> December 2019 (4 weeks).

## **How to Respond**

Responses should comment on the specific content of the SPD, preferably making reference to paragraph numbers and including recommendations as to how the document should be altered. The Council's preference is for responses to be sent by email to [PlanningPolicy@fylde.gov.uk](mailto:PlanningPolicy@fylde.gov.uk) Alternatively they may be sent by post to Planning Policy, Fylde Council, Town Hall, St Annes Road West, Lytham St Annes, Lancashire FY8 1LW.

## 1. Introduction

- 1.1 Supplementary Planning Documents (SPDs) provide further detail and guidance in relation to policies and proposals within the Development Plan, in this case the Fylde Local Plan to 2032 which was adopted by the Council on 22<sup>nd</sup> October 2018. The main objective of the SPD is to provide greater detail with respect to the requirement for affordable housing on development sites and other issues relating to the provision of affordable housing. It seeks to provide clarity to applicants as to the requirements for an application in respect of this subject.
- 1.2 Additional issues raised through the Consultation on this document will be reviewed by the Council and considered for inclusion within the final document for adoption. Whether or not additional issues are included will reflect consideration of the evidence in relation to those issues and whether they can be addressed by the Affordable Housing SPD.
- 1.3 The context of the Borough of Fylde means that the provision of affordable housing is critical in delivery of sustainable, mixed communities within Fylde. Fylde has higher house prices than generally elsewhere in the North West region or the Fylde Coast sub-region. Although incomes are typically higher than the region and sub-region also, the affordability of homes for lower income groups is poor. The lower-quartile affordability ratio is very high at 6.67, meaning that the lower-quartile property ranked by price costs 6.67 times the lower-quartile gross annual income (of those working in the borough). The housing stock profile is slightly larger than average, with a limited supply of smaller, lower value homes suitable for first-time buyers.
- 1.4 The Local Plan, adopted in October 2018, provides the principal planning framework that applies under planning law across the Borough of Fylde. This SPD is written in support of the policies contained in the Local Plan, in particular the Affordable Housing policy H4, to provide further detail on the application of the policies of the Local Plan. Section 2 of this document explains more fully the relevant policies of the Local Plan and other policy and guidance to which the Council must have regard in producing this document.
- 1.5 The current total stock for Registered Providers in April 2018 is 3,248 units, 619 of which have been built under a S106 agreement where sites are 10 units or more and there is a requirement to provide 30% affordable housing. Over the past two years Fylde has seen a growth in affordable housing provision across all tenures. In 2018/19 the Council has enabled 232 units (186 affordable rented, 14 discount market sale and 32 shared ownership).
- 1.6 There are currently thirteen registered providers of affordable housing with stock in Fylde: Community Gateway, ForViva, Great Places Housing Group, Heylo Housing, Jigsaw Homes Group / Adactus, Legal & General Affordable Homes, Manchester and District Housing Association, Muir Group Housing Association, Progress Housing Group, Places for People, Sage Housing, Step Forward Homes and YMCA Housing.
- 1.7 The need for affordable housing in Fylde is quantified in the Fylde Coast Strategic Housing Market assessment (SHMA). The provision of affordable housing in order to contribute to meeting the needs identified, is an element of Strategic Objective 1 of the Fylde Local Plan to 2032. The SHMA (including its Addenda) identified a high level of affordable housing need in the Borough, of 249 affordable homes per annum for the remainder of the plan period (SHMA Addendum 1, 2014).

- 1.8 The main settlements of St Anne's, Lytham, Kirkham, Wesham, Warton and Freckleton are surrounded by rural settlements of Newton, Staining, Wrea Green, Elswick, Singleton, Weeton, Clifton, and Singleton. The Local Plan concentrates new development in four strategic locations: Lytham/St. Anne's, Kirkham/Wesham, the Fylde-Blackpool Periphery and Warton, with a limited amount of development in the other settlements. Affordability in the rural areas of the Borough is a particular issue, and it is therefore important that affordable housing needs are met in those locations.
- 1.9 It is therefore considered important by the Council that the affordable housing policy H4 of the Local Plan is supported by detailed guidance in order to ensure delivery of the maximum amount of quality affordable housing for the Borough.

### **Results of the Scoping Consultation**

- 1.10 Consultation on the scope of this document was undertaken between 22nd November 2018 and 3rd January 2019. The Statement of Consultation that accompanies this SPD illustrates the results of that consultation, and how the issues and comments raised have been addressed in the development of this SPD.
- 1.11 The principle of bringing forward the SPD had broad support in the consultation. Certain proposed requirements in relation to the contents of the Affordable Housing Statement and the need for early engagement with developers were not supported by some developers, but the Council considers that these are essential for the application of Local Plan policy. The proposed requirement for early production of Section 106 agreements was not supported by developers and there were reservations from some Registered Providers, and this requirement has been removed. Other initiatives in the document, particularly for the calculation of off-site contributions and the discount level for discount market sales housing, were widely supported.
- 1.12 The Council response column in the Statement of Consultation includes reference to how the SPD has been changed in response to comments made.

## 2. Policy and Guidance Review

- 2.1 This section provides an overview of the policy and guidance documents, and some more general reference documents, that inform this SPD. The range of documents includes formal Development Plan Documents and national policy documents, non-planning documents that have relevance, best practice documents and existing non-statutory documents produced by the Council.

### Fylde Local Plan to 2032

- 2.2 The Fylde Local Plan to 2032, adopted October 2018, together with the Joint Lancashire Minerals and Waste Core Strategy DPD 2009 and the Joint Lancashire Minerals and Waste Local Plan Site Allocations and Development Management Policies DPD, plus the Bryning-with-Warton Neighbourhood Development Plan and the St. Anne's on the Sea Neighbourhood Development Plan for those designated Neighbourhood Areas, form the statutory Development Plan for Fylde.
- 2.3 Policy H4 of the Local Plan provides the principal development plan policy requirements regarding affordable housing. It requires all market housing schemes of 10 or more homes to provide 30% affordable housing. In the rural settlements this will be primarily to meet local needs. The presumption is that affordable housing will be provided on the application site. The tenure of affordable homes will be negotiated on a case-by-case basis, having regard to the viability of individual sites, local need and other Local Plan policies. Stipulations are made about the size and type of affordable housing, and requirements for supporting evidence in the event that the applicant wishes to justify reduced provision of affordable housing on the grounds of viability. The full text of the policy is reproduced below for ease of reference:

#### Policy H4

#### Affordable Housing

##### On-site provision of affordable housing

All market housing schemes of 10 or more homes will be required to provide 30% affordable housing, unless robust viability testing has demonstrated that the cost of the affordable housing provision would prevent the development from being delivered.

- a. For residential developments within or in close proximity to the Key Service Centres and Local Service Centres (i.e. the urban areas), the provision of affordable housing will be to meet the requirements identified for borough wide needs.
- b. For residential developments within rural areas, the provision of affordable housing will be primarily to meet the requirements identified for the closest **Tier 1 Larger Rural Settlements**: i.e. Newton, Staining and Wrea Green or **Tier 2 Smaller Rural Settlements**: i.e. Clifton, Elswick, Singleton and Weeton. If, having regard to an agreed assessment, the level of identified local need is less than the equivalent of 30% of the homes proposed, the balance of the provision will be delivered for borough wide needs.

The presumption is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing. In circumstances where the Council

considers that affordable housing would be most appropriately provided off-site, for instance in relation to applications for residential park homes, the Council will require contributions for off-site provision of affordable housing equivalent in value to the provision of 43% of the number of market homes to be built on site, this being the equivalent of providing 30% affordable housing on-site.

### **Tenure**

The precise requirements for tenure of affordable homes will be negotiated on a case-by-case basis, having regard to the viability of individual sites, local need and compliance with other policies of the plan.

### **Size and Type**

Schemes of sheltered/extra care housing for social rent/affordable rent to the elderly may be provided to meet affordable housing requirements, in conjunction with a Registered Social Landlord. Such schemes should meet the requirements of 100% specialist accommodation for the elderly in policy **H2**.

Affordable housing provided for social rent or affordable rent should be 1, 2 or 3-bedroom homes. Starter homes should normally be 1 and 2-bedroom homes. The size and type of affordable housing on an individual scheme should be determined with reference to the SHMA or subsequent housing needs assessments undertaken by or on behalf of the Council. Affordable housing should meet the requirements of the National Technical Standards and policy **GD7** of this plan.

### **Viability**

The Council will take account of viability when assessing individual schemes. If a level of affordable housing lower than that set out above is proposed for a specific scheme, the Council will expect robust financially-based justification to be provided by the applicant, demonstrating that the development would be unviable with a higher level of affordable housing than proposed. The Council may seek to independently verify such information, with any costs associated with the verification met by the applicant, before approving a scheme with lower levels of affordable housing than that specified above.

- 2.4 Policy H2 of the Local Plan specifies the mix of dwellings required on development sites. It requires a broad mix of types and sizes of home, suitable for a broad range of age groups, on all development sites. The mix should provide for the requirements in the SHMA or any future housing needs assessments. Some specific requirements are added relating to the sizes of home. Whilst Policy H2 relates to all types of housing, the mix of affordable housing on development sites will combine with the market housing mix to provide the overall mix on any site, which will need to comply with this policy.
- 2.5 Policy INF2 states that the Council will require contributions from development to mitigate impact on infrastructure, services and environment, and that this may include affordable housing.

- 2.6 Policy GD7 sets out design requirements for all types of development. It requires a consistently high standard of design and provides a series of considerations in respect to design. Affordable housing is not mentioned specifically, as this is a policy applying to all types of development.
- 2.7 The Fylde Local Plan to 2032 was published and submitted for Examination in Public before the production of the new National Planning Policy Framework (2018) and its subsequent update the National Planning Policy Framework (2019) (the Framework) (see also the section below). It has been examined under the transitional arrangement set out in paragraph 214 of the Framework, whereby it is considered, for the tests of soundness, against the 2012 Framework. The glossary of the Local Plan includes a definition of affordable housing which derives from the 2012 Framework. However, paragraph 213 of the 2019 Framework states that due weight should be given to Local Plan policies dependent on their consistency with the 2019 Framework. The glossary definition of affordable housing contained within the Local Plan is out-of-date, but this does not undermine policies H4 and INF2, as reference to affordable housing in these will henceforth need to be interpreted according to the definition in the Framework (2019).
- 2.8 Although these policies are being highlighted as being particularly relevant to affordable housing, the plan should be read as a whole and other policies and supporting text will be relevant.
- 2.9 Supplementary Planning Documents may not make policy, but must reflect policy that exists, then provide further explanatory detail. The Affordable Housing SPD therefore primarily reflects Local Plan Policies, in particular Policies H4 and INF2, as they are the relevant statutory development plan policies for Fylde.

#### **Fylde Council Affordable Housing Policy**

- 2.10 In addition to the Local Plan, the Council's Housing Services section produces the Fylde Council Affordable Housing Policy document. This document sets out the Council's position on affordable housing provision at any particular time. Updated when necessary, it sets out the Council's overall objectives for the delivery of affordable housing. In particular, it sets out the Council's preferred tenure mix on sites providing affordable housing as operative at that time. It also sets out the Council's policy for eligibility for affordable housing.

#### **St Anne's on the Sea Neighbourhood Development Plan**

- 2.11 The St Anne's on the Sea Neighbourhood Development Plan was made on 24<sup>th</sup> May 2017. Policy DH1 requires the design of all new development to have regard to the principles contained within the St Anne's Design Guide. Policy HOU1 supports housing developments on previously developed land and within the settlement boundary; Policy HOU2 provides criteria for developments of flats and HMOs; Policy HOU3 relates to retirement accommodation; Policy HOU4 sets out specific requirements regarding the design of housing development.

#### **Bryning with Warton Neighbourhood Development Plan**

- 2.12 The Bryning with Warton Neighbourhood Development Plan was made on 24<sup>th</sup> May 2017. Although there are no policies within the Bryning with Warton Neighbourhood Development Plan that are directly relevant to affordable housing, it is part of the statutory development plan and due regard must be given therefore to its policies within its defined area.

## **National Planning Policy Framework**

- 2.13 The National Planning Policy Framework (February 2019) (the Framework) was published on 19<sup>th</sup> February 2019. It supersedes the previous versions of the Framework. The 2019 Framework contains only minor updates from the Framework of 24<sup>th</sup> July 2018, which was a full revision of the earlier Framework, published in 2012.
- 2.14 Paragraph 20 of the Framework requires that strategic policies make sufficient provision for housing including affordable housing. Paragraphs 39-42 encourage pre-application discussion including in relation to affordable housing. Paragraphs 43-44 recommend that applicants discuss the information requirements for the application in advance and states that local planning authorities should publish a list of their information requirements, which should be the minimum needed to make decisions. Paragraph 56 allows planning obligations to only be sought where they are necessary to make the development acceptable, directly related to the development and fairly and reasonably related in scale and kind to the development. Section 5 of the Framework concerns the specific issue of the supply of homes.
- 2.15 Paragraph 61 requires that the size, type and tenure of housing needed for different groups in the community be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).
- 2.16 Paragraph 62 requires that the type of affordable housing prescribed be identified in planning policies and that it normally be met on site. Paragraph 63 states that affordable housing should only be required for major developments apart from designated rural areas, and that the amount required should be reduced where vacant buildings are to be reused or redeveloped. Paragraph 64 states that 10% of major developments should be available for affordable home ownership. Exceptions to the requirement would be for 100% build-to-rent schemes, specialist accommodation e.g. for the elderly or students, for custom- and self-build homes or where the scheme is a 100% affordable housing exception site.
- 2.17 Paragraph 204 states that planning obligations should only be sought where they meet all of the following tests: necessary to make the development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and kind to the development. Paragraph 205 states that obligations should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled.
- 2.18 Annex 2 of the Framework is the Glossary, and this provides the Government's definition of affordable housing. This is significantly altered from the 2012 Framework. The definition is considered further elsewhere in this document.

## **Planning Practice Guidance (PPG)**

- 2.19 Planning Practice Guidance (PPG) is produced by government in support of the policy provided in the Framework. Much of the content has been updated in 2019 to reflect the 2019 Framework.

### **Housing Needs of Different Groups**

- 2.20 Addressing the Needs for Different Types of Housing, Paragraph: 001 Reference ID: 67-001-20190722, states that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method. When producing policies to address the need of specific groups strategic policy-making authorities will need to consider how the needs of individual groups can be addressed within the overall need established.

### **Housing and Economic Needs Assessment PPG**

- 2.21 Affordable Housing, Paragraph: 018 Reference ID: 2a-018-20190220 to Paragraph: 024 Reference ID: 2a-024-20190220, states that all households whose needs are not met by the market can be considered in affordable housing need. The considerations involved in calculating affordable housing need are detailed, involving assessments of the current number whose needs are unmet, together with projections of the likely number of newly forming households whose needs are likely to be unmet. This section then sets out how the current affordable housing supply should be assessed. The total needs, having subtracted stock, then should be converted into an annual flow based on the plan period. The affordable housing need can then be considered in the context of the likely delivery through new development sites, taking account of the probable proportion of affordable housing to be delivered by market housing-led developments.

### **Before submitting an application PPG**

- 2.22 Paragraph: 005 Reference ID: 20-005-20150326 states that the level of information necessary for effective pre-application engagement will vary depending on the scale and nature of the proposed development; in all cases the level of information requested by the LPA needs to be proportionate to the development proposed.

### **Planning Obligations PPG**

- 2.23 Planning obligations policy should be set out in development plans. The relevant tests must be met: necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind. Planning obligations should not normally be a requirement for validation on a local list; if they are, the local planning authority should be able to justify their inclusion in relation to any particular development.
- 2.24 Local planning authorities are encouraged to use and publish standard forms and templates to assist with the process of agreeing planning obligations. These could include model agreements and clauses (including those already published by other bodies), that could be made publically available to help with the planning application process. Any further information required by the local planning authority, or issues raised by the applicant regarding planning obligations, should be addressed at an early stage of the planning application process. Use of model agreements does not remove the requirement for local planning authorities to consider on a case by case basis whether a planning obligation is necessary to make the development acceptable in planning terms.

### **Viability PPG**

- 2.25 The viability PPG sets out a methodology that should be adopted for viability assessments. Viability assessments should be undertaken at plan-level; development in accordance with the plan should then be assumed to be viable.
- 2.26 The inputs and findings of any viability assessment should be set out in a way that aids clear interpretation and interrogation by decision makers. Reports and findings should clearly state what assumptions have been made about costs and values (including gross development value, benchmark land value including the landowner premium, developer's return and costs). At the decision making stage, any deviation from the figures used in the viability assessment of the plan should be explained and supported by evidence.

### 3. Tenures of Affordable Housing for Fylde

- 3.1 Affordable housing is defined in the Framework, within Annex 2 (Glossary). The Framework (2018 and 2019) definition is as follows:

**Affordable housing:** *housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:*

**a) Affordable housing for rent:** *meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes, affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).*

**b) Starter homes:** *is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.*

**c) Discounted market sales housing:** *is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.*

**d) Other affordable routes to home ownership:** *is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.*

#### Tenures of Affordable Housing Required in Fylde

- 3.2 Local Plan Policy H4 states:

*The precise requirements for tenure of affordable homes will be negotiated on a case-by-case basis, having regard to the viability of individual sites, local need and compliance with other policies of the plan.*

- 3.3 This SPD is not prescriptive in relation to the tenures of affordable housing required by the Council. This is to ensure that the Council is able to respond to changing needs, supply

conditions and the needs of registered providers, and to ensure the document does not become rapidly out-of-date.

- 3.4 Tenures of affordable housing required by the Council will be specified and regularly updated in the Council's Affordable Housing Policy. This will reflect the particular circumstances of Fylde, including the strategic level of affordable needs for different types of accommodation and tenure and the tenures that are considered suitable by Registered Providers operating in Fylde. Exceptions to the preferred tenure mix specified in the Council's Affordable Housing Policy will only be permitted where the applicant's proposed tenure mix is supported by a Registered Provider that has agreed with the applicant to be recipient of the proposed affordable housing once completed, and only then where the affordable housing to be provided will fulfil the requirements of Local Plan Policy H4 and will contribute to the fulfilment of the objectives of the Council's Affordable Housing Policy.

#### **Requirement for a Basket of Tenures**

- 3.5 For developments including 15 or more affordable homes, the Council will require a basket of affordable housing tenures to be provided within the site. A mix may also be required on smaller sites, but this will be subject to negotiation, considering issues such as the configuration of the site, its location and affordable housing need locally.
- 3.6 The Local Plan policy H4 states that the tenure mix will be negotiated on a case-by-case basis, having regard to the viability of individual sites, local need and compliance with other policies of the plan. The tenure mix should be discussed with the Council in advance of the submission of the planning application, considered below in Chapters 5 and 6.

#### **Affordable Rent**

- 3.7 Affordable rent provides a tenure of affordable housing that attempts to ensure that those on low incomes can be housed satisfactorily. Rental levels (including service charges) are restricted to a maximum of 80% of the market rents that the individual properties would achieve. Further details are set out in the Capital Funding Guide produced by Homes England (2019). Eligibility is restricted (see Chapter 9).
- 3.8 Affordable rent should normally be the form of tenure for the majority of affordable homes on development sites; however the Council's specific expectations at any particular time will be set out in the Council's Affordable Housing Policy.
- 3.9 Housing provided for affordable rent will be required to be transferred to a Registered Provider. This may be one of the existing Registered Providers active in Fylde, which are listed in Appendix 1, or an alternative provider proposed by the applicant and approved by the Council.
- 3.10 Housing for affordable rent must be retained as affordable rent in perpetuity, unless sold under right-to-buy legislation. The Affordable Housing Statement (see Chapter 6) will need to confirm these restrictions, as well as those relating to the allocation of the properties, and these will be tied to any planning permission through condition or Section 106 agreement.

#### **Shared Ownership**

- 3.11 Shared ownership provides an alternative to other forms of low-cost home ownership products that is well-established and tested. It allows for a higher level of discount on the

market price than discounted market sales housing providing that sufficient subsidy is available at the outset.

- 3.12 Shared ownership requires the involvement of a Registered Provider. The occupier will purchase a percentage of the equity, which may be as low as 25% or as high as 80%. The remainder of the property is owned by the Registered Provider, and the occupier must pay rent on that share of the property. Shared ownership allows the occupier to increase their share of the property that they own by purchasing tranches of the remaining share from the Registered Provider (sometimes known as “staircasing”), each time reducing the residual amount on which rent is payable. The occupier may purchase the entire remaining share so as to own the property outright at open market value. Restrictions may be applied to give first refusal on any subsequent sale of the property to the Registered Provider.
- 3.13 Provisions are necessary to ensure that any discount (which is the element of equity held by the Registered Provider at the outset) is recycled for further affordable housing provision.

### **Discounted Market Sales Housing**

- 3.14 Discounted market sales housing will provide a critical element in the delivery of affordable housing going forward. Government policy as stated in the Framework promotes the provision of discounted market sales housing, making a requirement that at least 10% of all homes on major development sites to be available for affordable home ownership.
- 3.15 Discounted market sales housing offers a route to outright home ownership: the purchaser acquires 100% of the equity in the property and with it all of the responsibility for repair and maintenance costs. The need for routes to affordable home ownership reflect the high affordability ratio in the borough: the high cost of house purchase in relation to incomes, which has left people in affordable housing need as they are unable to raise sufficient finance to make a house purchase within the borough on the open market.
- 3.16 Discounted market sales housing therefore meets an affordable housing need for those people who aspire to home ownership but are unable to access market housing for purchase (although they may be able to access private rented housing).
- 3.17 It is critical that any affordable housing will meet identified affordable housing need, in order for the requirement for such affordable housing to be justified in relation to the tests that a planning obligation must pass, set out in The Community Infrastructure Levy Regulations 2010, regulation 122(2), and reiterated in the Framework. Therefore, it is critical that the resulting discounted market sales homes will be genuinely affordable to those who have been assessed as in housing need. This means that the level of discount must be sufficient to make the homes affordable to the target group of those in affordable housing need.
- 3.18 The Council uses the lower quartile workplace based earnings, and the lower quartile house prices, to make its assessment of the appropriate level of discount. The earnings (2018, the latest figure available) for the lower quartile worker in Fylde were £21,445. The Council uses a multiple of 1.5 incomes per household, to reflect the fact that such households reflect a spectrum of circumstances. Using a standard mortgage multiple of 3, and allowing for a 10% deposit, this means that householders earning the lower quartile Fylde worker’s income could raise £107,225 towards the cost of a home purchase.
- 3.19 The lower quartile house price in Fylde is £143,000 (the latest available price paid data, year to September 2018). As such those earning at around the lower quartile level, which will often

be the younger cohorts of the working population, are some way distant from affording even those homes in Fylde at the cheaper end of the market, without intervention.

- 3.20 However, there is a high degree of variation in house prices in the borough. In seeking to assist potential home buyers in affordable housing need, the discount will need to be appropriate in relation to the prevailing prices in the local market and the open market value of the affordable dwelling. For instance, the lower quartile house price in Elswick and Little Eccleston is £160,500 and in Lytham is £185,791 but those in St Anne’s and Kirkham/Wesham is around £130,000. The discount applicable for the different areas of the borough has therefore been pitched to make the dwellings as affordable as possible whilst remaining viable for the developer as part of the affordable housing mix.
- 3.21 The level of discount to the open market value that will be applied to discounted market sales housing is shown in the table below:

<b>Settlement(s)</b>	<b>Amount of discount</b>
St Annes	20
Kirkham and Wesham	20
Whitehills	20
Warton and Freckleton	25
Clifton and Newton	25
Elswick, Singleton, Weeton and Staining	40
Lytham	40
Wrea Green	40

The data underpinning these required levels is set out for information in Appendix 4.

- 3.22 The open market value of the dwellings should be established. This should be through the mean of valuations by two RICS-accredited property surveyors working for different companies/partnerships, and should then be verified by the Council. The appropriate level of discount shall then be applied to the open market value, to give the discounted market sale price.
- 3.23 Discounted market sales properties will be marketed by the developer. Those who wish to purchase the properties will be required to fill in an application form that will be passed to the Council for an assessment as to their eligibility. Controls on eligibility are essential to ensure that the homes provide for those in affordable housing need, and in accordance with the Council’s allocation policy.
- 3.24 Once purchased, a discounted market sale property is the absolute property of the purchaser, but restrictions are put in place so that on resale, the property may not be sold for more than

the open market value minus the same discount that was applied initially, and that the subsequent purchaser will also be eligible for affordable housing, in accordance with the Council's allocation policy. The developer must provide information to the purchaser so that the restrictions are clearly understood, notwithstanding any legal enquiry that the purchaser may also carry out.

### **Innovative Affordable Housing Tenures**

- 3.25 Innovative affordable housing tenures will be developed where there is the opportunity and where it is in accordance with the objectives of the Council's Housing Strategy and Affordable Housing Policy.
- 3.26 Applicants who have a proposal involving innovative affordable housing tenures, where these are in accordance with the Framework, should enter into pre-application discussions with the Council in the first instance.

## 4. The Amount of Affordable Housing Required

- 4.1 The Council requires that developers declare the amount of affordable housing to be provided as part of any planning application for 10 or more net homes, and set out the justification for this amount in their Affordable Housing Statement. The considerations that may be included in this are set out below.

### The Requirement

- 4.2 The requirement for affordable housing provision in Fylde is set out in the Local Plan. Policy H4 requires:

*All market housing schemes of 10 or more homes will be required to provide 30% affordable housing, unless robust viability testing has demonstrated that the cost of the affordable housing provision would prevent the development from being delivered.*

- 4.3 The threshold used in the Local Plan requirement accords broadly with the minimum standard threshold incorporated in the PPG, which states that affordable housing should not be sought on sites that are not major development.
- 4.4 Where an application site is for a smaller part of a larger site, the affordable housing requirement will be assessed on the basis of the context of the larger site. The reference to market housing schemes in Policy H4 of the Local Plan will be taken to encompass the whole site. Therefore, attempts to circumvent the requirement by the division of the site into two or more smaller sites will result in the imposition of the requirement in accordance with the proportion of housing units proposed across the whole allocated site. The tests used to establish whether this applies would include where a site shares its access with other sites, where it is in the same land ownership, or where there are common areas of infrastructure.
- 4.5 The Framework (2018 and 2019) paragraph 64 requires that where major development involving the provision of housing is proposed, 10% of the homes should be for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. This will be incorporated within the overall requirement, unless the Council determines that the qualification in paragraph 64 applies.
- 4.6 In respect of changes of use, the same requirements will apply except as considered below.
- 4.7 The Local Plan states that there will be a presumption that affordable housing will be delivered on site, in the interests of creating a mix of housing and promotes the creation of sustainable communities. Off-site provision will be acceptable only in such circumstances where the Council considers it to be so. There will be the assumption that such circumstances will be exceptional. Where the Council considers that off-site provision will be appropriate, contributions to provide for this will be payable. The calculation of contributions is considered in Chapter 8.

### Exceptions to the Requirement

- 4.8 Where the development is a change of use that is permitted development under the General Permitted Development Order, PPG states that affordable housing cannot be sought.

- 4.9 Policy H2 states that where a development provides 100% specialist accommodation for the elderly, affordable housing will not be sought. The criteria that must be satisfied to demonstrate that a development is considered by the Council to be 100% specialist accommodation for the elderly, are set out in Local Plan Policy H2.
- 4.10 Affordable housing will not be sought on development sites (including conversions) for between 1 and 9 homes, except where larger sites have been sub-divided in order to attempt to circumvent the requirements.

#### **Legal Agreement**

- 4.11 Normally, applicants will be required to commit to the affordable housing provision they intend to provide, through a legal agreement. The purpose of this is to ensure that a planning permission could not be built out without the affordable housing being provided. The amount of affordable housing, and any other details relating to it that are agreed by the applicant, including type, tenure, registered provider and management arrangements etc. should be contained within the Affordable Housing Statement, with a clause within the legal agreement securing this by reference to the agreed Affordable Housing Statement. See also Chapter 11 of this document.

#### **Reduced Proportion on Viability Grounds**

- 4.12 Matters relating to situations where an applicant claims that a reduced amount of affordable housing should be provided on viability grounds are considered in Chapter 10.

#### **Effect of Vacant Building Credit**

- 4.13 Paragraph 63 of the Framework states that where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount. Footnote 28 clarifies that this is “equivalent to the existing gross floorspace of the existing buildings. This does not apply to vacant buildings which have been abandoned.” Therefore, the number of affordable homes required will be reduced accordingly on such schemes. Developers will be required to set out how this will affect their development within the Affordable Housing Statement, and to have discussed the matter where applicable with the Council prior to submitting the application.
- 4.14 Where a building has been vacated in order to allow the development of a permitted scheme, the Council will not recognise such a building as providing entitlement to vacant building credit.
- 4.15 Developers will be expected to provide evidence in support for any claim for vacant building credit. The evidence will need to demonstrate:
- The floorspace of the vacant building;
  - That the building is vacant: it will not be considered to be vacant if the building or part of the building has been in continuous use for any six months during the last three years up to the date that the application is submitted. The building must be entirely vacant: the credit is a vacant building credit rather than a vacant floorspace credit;
  - That the building concerned is a permanent building which has a previous use;
  - That the building has not been abandoned: evidence will be required that the building has been marketed in a genuine attempt to bring it back into use;

- That the building has not been vacated for the purpose of conversion: that the vacation of the premises has been a result of the decision of the tenant, rather than the landlord.

#### **Phasing of Delivery**

- 4.16 The Council will expect affordable housing to be constructed concurrently with the market housing on the development site. In order to ensure timely delivery, the Council will require the phasing of affordable housing delivery to be detailed on the Affordable Housing Statement, where the application is for full or reserved matters permission. This will be in the form of a requirement for the transfer of a certain number of units of affordable housing to the appointed Registered Provider in advance of the occupation of a certain number of market dwellings. Generally, at least half of the affordable homes should be transferred before half of the market housing is occupied, with the remaining half transferred before the occupation of 75% of the market homes.
- 4.17 Developers should consider how the phasing requirements will affect their site, and provide details on the Affordable Housing Statement having regard to their order of construction for the homes on the site, to ensure that their proposals for the phasing of affordable housing are achievable when the planning application is determined.

## **5. Pre-application Engagement**

- 5.1 The Framework strongly emphasises the benefits of discussion between parties at the pre-application stage, and encourages the resolution of issues prior to applications being made.
- 5.2 There are advantages to both developers and to the Council in effective pre-application engagement taking place regarding affordable housing provision. In particular, providing understanding of the information required by the Council will assist applicants.

### **Discussions with Registered Providers**

- 5.3 Applicants and/or their agents will need to make contact with Registered Providers prior to making any planning application, including at outline stage. They will need to establish that the affordable homes they propose to build can be transferred, in the case of affordable rent or other tenures involving Registered Providers, and that the mix of properties will be suitable. The Registered Provider should be agreeable to being a party to the S106 agreement, and to being named on the Affordable Housing Statement to be submitted with the application.
- 5.4 At reserved matters stage or prior to a full planning application being submitted, the applicant will need to have discussed and come to agreement with the Registered Provider over all detailed matters including the individual dwellings to be part of the transfer, specific tenures of specific plots, the phasing of delivery and timings of the transfers, agreement that the Registered Provider will take on the management arrangements, letting and allocation in accordance with Fylde Council's local connection policies.
- 5.5 The Council will require that a single Registered Provider is engaged in relation to all tenures of affordable housing within the scheme where a Registered Provider has involvement. The Council will only consider agreement to this requirement being waived where the Registered Provider which will take on all of the Affordable Rent properties declines to take on properties under other tenures.

### **Discussions with the Council**

- 5.6 The Council believes that engagement by developers with the Council prior to making an application is an essential element in bringing forward a development proposal of an acceptable form.
- 5.7 Discussions will be advantageous prior to making an outline planning application in the first instance.
- 5.8 Elements that need to be discussed centre around the amount of housing and affordable housing proposed, the tenure mix of the affordable units, and where the proposal is for a full or reserved matters application, the size, design and distribution of the affordable units within the development. Other matters may also require discussion at that stage.
- 5.9 The Council offers a pre-application discussion service for applicants, to consider outline development proposals and to provide "without prejudice" advice on their planning merits. Applicants are encouraged to use this service in relation to the full range of potential planning issues.

- 5.10 Applicants or their agents should contact the Development Management Team at the Council when they are considering preparation of a planning application. They should be prepared to discuss the number and overall mix of affordable housing prior to making an outline application.

## 6. The Affordable Housing Statement

- 6.1 . It is expected that the Affordable Housing Statement will be a document that applicants will provide with the application when submitted. In providing this at submission, it will demonstrate and reflect the outcomes of any pre-application engagement that has taken place. The Affordable Housing Statement will be part of the Local List of Local Information Requirements which will be required in support of a planning application for 10 or more dwellings or where the site area is greater than 0.5 hectares, in order to be considered valid at receipt by the Council.
- 6.2 The contents of the Affordable Housing Statement will differ dependent upon whether the application is made in outline or is a full or reserved matters application. Where the application is in outline form, the Council will require the following to be covered:
- Registered Provider appointed to take the housing stock and provisions for transfer to them (see also chapter 3);
  - Number of dwellings and number of affordable dwellings within the development (see also chapter 4; where off-site provision is proposed see chapter 8);
  - Tenure including mix of tenures where appropriate (see also chapter 3);
- 6.3 For a full or reserved matters application, the Affordable Housing Statement should cover the following aspects of provision:
- Registered Provider appointed to take the housing stock and provisions for transfer to them; (see also chapter 3)
  - Number of dwellings and number of affordable dwellings within the development (see also chapter 4; where off-site provision is proposed see chapter 8);
  - Tenure including mix of tenures where appropriate (see also chapter 3);
  - Affordable dwelling size (see also chapter 7);
  - Distribution of affordable housing within the development (see also chapter 7);
  - Timing of the construction of the affordable housing and its phasing in relation to the occupancy of the market housing (see also chapter 4);
  - Management arrangements for the completed affordable dwellings (see also chapter 9);
  - Allocation arrangements (see also chapter 9);
  - Provision for the recycling of subsidy in the event of the exercise of right-to-buy, purchase of the remaining share of shared ownership or the resale of discounted property (see also chapter 9).
- 6.4 Templates that should be used to produce an Affordable Housing Statement are provided as Appendices 2 and 3.

### Revision of the Affordable Housing Statement

- 6.5 It may be necessary, during the course of consideration of an application, for amendments to be made to certain details of the Affordable Housing Statement, in order that the requirements of the Council are satisfied. These might reflect, for instance, revisions to the mix of affordable homes on the scheme, the overall number of homes or the mixture of tenures; alternatively revisions may be required where certain necessary details are missing on the initial submission. In such cases the Council will require the submission of an amended Affordable Housing Statement, clearly identified by date.

## **The Role of the Affordable Housing Statement**

- 6.6 The version of the Affordable Housing Statement that is agreed by the Council will form part of any planning permission granted, through a clause in the Section 106 agreement or through a planning condition. The applicant or successor in title to the land in the event that permission is implemented will be tied to all of the details set out in the Affordable Housing Statement, including the tenure and allocation arrangements of individual dwellings, the overall number of affordable dwellings provided, management arrangements and appointed Registered Provider etc. The Affordable Housing Statement therefore is the device through which the Council will ensure that affordable housing is provided through the development in accordance with the Council's policies.
- 6.7 It is envisaged that there will be circumstances when the practicalities of the development and delivery of affordable housing on larger sites indicates that revisions to an agreed Affordable Housing Statement are requested. These will be considered through an appropriate formal application to the council and will only be accepted where the proposed change is supported by evidence and continues to comply with the relevant Policy.

## **7. Size, Type, Design and Distribution of Affordable Housing**

- 7.1 It is essential, if the affordable homes delivered are to meet the needs of those requiring affordable housing in Fylde, that they are of a size and type which provides suitable accommodation, considering the circumstances of those in need.
- 7.2 Local Plan Policy H2 makes reference to the affordable housing need as detailed in the Fylde Coast Strategic Housing Market Assessment (SHMA). It makes some prescriptions of the types of homes required, based on the SHMA, but then refers to the SHMA or any subsequent housing needs surveys undertaken on behalf of the Council.
- 7.3 Applicants will need to engage with the Council and a Registered Provider, to ensure that the proposed affordable homes will meet the identified need.
- 7.4 The Local Plan provides policy on the design of development generally, and the Council is producing a separate Good Design SPD to provide further detail on design for all types of development. It is therefore not intended to repeat those elements of guidance contained within the Good Design SPD, but rather to highlight design requirements which apply specifically to affordable housing.

### **Size and Mix of Types of Affordable Dwellings**

- 7.5 The affordable homes to be provided on a development site will contribute to the overall mix of housing on the site, and as such the mix of sizes of the affordable homes provided will need to be chosen so that the affordable housing provision contributes to the overall mix required by Local Plan Policy H2, whilst also reflecting the overall mix of housing on the site.
- 7.6 The mix of affordable housing to be provided on an application site will need also to reflect affordable housing need. The overall mix should be agreed with the Council at pre-application stage, and supported by an affordable housing provider. At outline stage this will only be necessary if the dwelling unit sizes are specified on the application form.
- 7.7 Affordable housing may be provided in the form of houses, flats, bungalows or other innovative accommodation types as appropriate. However, the type(s) proposed must have been agreed with a Registered Provider (for affordable rent properties or other tenures where involvement of a Registered Provider is required) and with the Council prior to any planning application being submitted, including any outline application. This is to ensure that, once the development is brought forward, the accommodation is suitable for its intended purpose and can be successfully marketed after completion.
- 7.8 Affordable housing must be able to meet the needs of those in affordable housing need. Therefore, the specific accommodation requirements of the individuals or families that are to occupy the units will need to be provided for at the stage of initial development. This means that, for instance, a 2-bedroom dwelling will have to be fit for purpose as a dwelling that can be let to or purchased by people in affordable housing need for a dwelling of that size. In addition, Homes England will not provide grant funding for affordable homes below certain sizes, the limit being set at 85% of the minimum gross internal floor areas in the Nationally Described Space Standard.
- 7.9 Registered providers consider that the overall size (i.e. floor area) of the affordable dwelling is reflective of the overall number of people that can be accommodated in a dwelling. Accordingly the size of individual dwellings by floor area should be specified for each

affordable dwelling proposed, within the Affordable Housing Statement for full or reserved matters applications. The number of bedrooms for each unit must also be specified.

- 7.10 The affordable housing units should normally be at least the following Gross Internal Area (GIA) for the number of bedrooms specified, in order to be considered suitable for the requirements of Registered Providers for a home of the stated size, unless the applicant can demonstrate that the units proposed will meet the declared requirements of a supporting Registered Provider:

Bedrooms	No. of persons	Min GIA m <sup>2</sup>
1	Up to 2	49
2	Up to 4	70
3	Up to 5	83

- 7.11 At outline stage the type proposed will be declared descriptively within the Affordable Housing Statement accompanying the application. (e.g. “15 houses and 5 bungalows for affordable rent and 10 flats for discount market sales housing”).
- 7.12 At reserved matters stage the affordable housing units will need to be identified on the site layout plan and on the individual plans and elevations: they must be directly denoted as such on each of the drawings which relate to them and should not require cross referral (e.g. by plot numbers or house types) from some other document.

### Design

- 7.13 Affordable housing design needs to reflect the requirements of Local Plan (and where appropriate, Neighbourhood Plan) Policies in the same way as other parts of the same development, or indeed as any other development.
- 7.14 Local Plan Policy GD7 provides the starting point for considerations of design. Most elements of the policy are directly relevant but in particular the following criteria are of note, in that they will need to be applied equally to the affordable housing as to other parts of the site:
- *d) Ensuring the siting, layout, massing, scale, design, materials, architectural character, proportion, building to plot ratio and landscaping of the proposed development, relate well to the surrounding context.*
  - *i) Taking the opportunity to make a positive contribution to the character and local distinctiveness of the area through high quality new design that responds to its context and using sustainable natural resources where appropriate*
  - *k) Ensuring the layout, design and landscaping of all elements of the proposal, including any internal roads, pedestrian footpaths, cycleways and open spaces, create user friendly, sustainable and inclusive connections between people and places resulting in the integration of the new development into the built and historic environment*
  - *m) Protecting existing landscape features and natural assets as an integral part of the development; requiring multi-functional green infrastructure to be integrated into urban*

areas; providing enhancements to open spaces to encourage people to use them; protecting and enhancing habitats; providing open spaces and linkages to the wider ecological networks as part of the Green Infrastructure network; and enhancing the public realm.

- o) All new housing developments should result in a high standard of amenity for occupiers. The standard of amenity for occupiers should not be compromised by inadequate space, poor layout, poor or lacking outlook or inconvenient arrangements for waste, access or cycle storage. Developments should include adequate outside amenity space for the needs of residents. New homes designed specifically to accommodate the elderly should comply with optional standard M4(3(2a)) in accordance with policy H2.

- 7.15 The Good Design SPD will provide a design process that should be used by applicants when designing a scheme, and provide guidance on how the context of the site should shape the overall and detailed form of developments.
- 7.16 As the majority of new affordable housing will be within larger development sites, the context for the design of the affordable housing on the site will be the overall design principles adopted for the site. These will in turn be required to reflect the wider context of the site within the immediate surroundings and the settlement as a whole.
- 7.17 Developments should be “tenure-blind”, i.e. affordable housing should be not appear distinctive from the market homes found on the same site. The design features and materials should be consistent. Sometimes, the different size of the affordable homes from the surrounding dwellings is notable. In such cases, dwellings might be distinctively smaller but they should not be distinctively affordable. The affordable dwellings should result in a similar (high) standard of visual appearance for the part of the development concerned, compared to the remainder of the site.
- 7.18 Below are set out some typical design mistakes with affordable housing that are not considered acceptable. On developments where the features described are present, the affordable housing is likely to be clearly distinctive from the market housing, in contravention of policy.

#### **Examples of Affordable Housing Design Mistakes**

**Featureless elevations:** dwellings with plain elevations and with standard form windows and doors, resulting in a spartan appearance lacking any distinctiveness

**Prominent bin storage:** bin storage should always be located within private areas, not visible from the street, even when provided on a communal basis for flats.

**Absence of rear access:** a means of gaining external access to the street from the rear of a property other than through the dwelling must always be included.

**Extreme low-cost design:** eaves sharply cut off to be almost flush with the wall face, uniformly plain materials, soil pipes and other services on the front elevation etc.

**Absence of soft landscaping:** use of cheap fencing, prominent metal railings or other excessive hard landscaping to define boundaries at the front, where use of hedging plants or other soft landscaping would be more appropriate.

- 7.19 Proposals should follow the requirement for a high standard of design set out in Local Plan Policy GD7. For affordable housing some particular examples of this are shown below.
- 7.20 Proposals that fall short of the required standard for the design of affordable housing, even where the design of the remainder of the development is considered acceptable, will be refused.

#### **Good Practice in Affordable Housing Design**

**Blends in to the Development Site:** the affordable dwellings should utilise some of the same design features as the market homes on the site so as to integrate the affordable homes into the development. The development as a whole should respond to the wider local context as required by Policy GD7

**Small dwellings disguised as large dwellings:** identification of dwellings as affordable on the basis of their size can be avoided by utilising similar designs as the larger properties on the site, varying the orientation of the front entrance doors or use of a single entrance door to a number of flats that otherwise appears to be a single house.

**Well landscaped:** effective use of landscaping at the front of dwellings can add character without substantial cost

**Variation:** avoidance of excessive uniformity by varying the design features used between groups of dwellings, use of colour, offsetting, detail features to create homes that are distinguishable from one another

#### **Distribution**

- 7.21 Housing developments should not be “exclusive”: Paragraph 127 of the Framework requires the creation of places that are inclusive. Affordable housing should therefore be distributed within the development so that is clearly integrated into the wider development site, and could not be regarded as separate from it.
- 7.22 Normally the expectation will be for affordable housing to be distributed in several small groups throughout the development site. Such groupings should not result in segregation (i.e. for instance in a cul-de-sac just consisting of affordable housing).
- 7.23 Where the Council has agreed that affordable housing is to be a distinct type from market housing on the site (for instance where it is to be flats, or to be housing designed for the elderly), it should not be located in a segregated part of the site, such as the furthest extremity from the main access; it should be no less visually prominent within the overall street scene than other housing on the site.

#### **Affordable Specialist Accommodation for the Elderly**

- 7.24 Local Plan Policy H4 allows for affordable housing requirements to be met in full or part by the provision of sheltered or extra care housing, providing that it is provided for social rent or affordable rent and therefore meets the definition of affordable housing. Such schemes must

fulfil the requirement of Policy H2 for specialist accommodation for the elderly, that the accommodation is built in compliance with optional technical standard M4(3(2a)), which means that the accommodation is wheelchair-adaptable. The specific design requirements relating to the standard are contained within the Building Regulations Approved Document Part M.

- 7.25 Affordable Specialist Accommodation for the Elderly should have regard to Lancashire County Council's Care and Support Strategy, which outlines the type of accommodation considered suitable. LCC are the revenue funding provider for this type of accommodation as they are typically placing the tenants and may be paying some or all of the rental for certain types of such accommodation.
- 7.26 Local plan Policy H2 carries requirements where a proposal is for 100% accommodation for the elderly, and these apply equally when the accommodation is to be affordable. The design criteria are as follows:
- *It is situated to provide easy access to regular public transport. Within larger development sites, the part of the site in closest proximity to bus stops with a regular service should be chosen for this type of accommodation;*
  - *The proposal is well-designed, avoiding unnecessary use of high fencing around the perimeter, orientated towards the street with an entrance on the street side of the building providing the shortest possible pedestrian access, including usable outside landscaped gardens with seating, and access and parking for vehicles well separated from pedestrian routes;*
  - *The development complies with the development strategy and other policies of the plan;*  
*and*
  - *Convenient access arrangements are provided for vehicles providing hospital transport.*

## 8. Off-Site Contributions

### When will off-site provision be acceptable?

- 8.1 Policy H4 of the Local Plan is clear on the presumption that affordable housing will be provided on-site:

*“The presumption is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing. In circumstances where the Council considers that affordable housing would be most appropriately provided off-site, for instance in relation to applications for residential park homes, the Council will require contributions for off-site provision of affordable housing”*

- 8.2 Where an applicant proposes that affordable housing provision should be off-site, this will need to be the subject of discussion with the Council prior to the submission of the application. Only where the Council has agreed that off-site provision is likely to be acceptable, should a planning application based on affordable housing provision off-site be submitted. Any such advice would be without prejudice to any decision made on a planning application submitted.

### Calculation of Off-Site Contributions

- 8.3 The Local Plan sets out the requirement for off-site provision of affordable housing, where it is considered acceptable. Policy H4 states:

*“the Council will require contributions for off-site provision of affordable housing equivalent in value to the provision of 43% of the number of market homes to be built on site, this being the equivalent of providing 30% affordable housing on-site”*

- 8.4 For clarification, the use of 43% as the off-site calculation rather than 30% is a straightforward mathematical relationship. Where a site has 100 dwellings, if the affordable housing is to be on-site as normal, the result will be 30 affordable and 70 market homes. A site of 100 dwellings where the affordable housing is off-site will result in 43 affordable and 100 market homes. The proportions of the total are the same:  $30/100 = 43/143 = 30\%$ .
- 8.5 The contributions are based on value, and will therefore reflect the sale price of the homes on-site. Sale prices of homes vary significantly across the borough for similar properties, being typically higher in the villages than most of the urban areas, and higher in Lytham than for instance Kirkham. Off-site contributions would therefore be a greater amount per home in the higher-price areas.
- 8.6 Appendix 5 sets out the detailed method to be used in calculating these contribution and provides a template. The contributions will be phased in a front-loaded manner as with the provision of actual affordable dwellings.
- 8.7 Off-Site contributions can also be made through the provision of actual affordable dwellings on other sites in the borough. Where this is proposed there will need to be a mechanism to tie the delivery of those properties to the delivery of the ‘parent’ scheme, for the off-site affordable housing to meet all other affordable housing and general policy requirements, and that the level of provision comply with the requirement of Policy H4 to deliver off-site affordable housing contributions at 43% of the total on-site development.

## **Securing off-site contributions**

- 8.8 Where off-site provision has been agreed by the Council, the payment of the commuted sum will need to be secured through a S106 legal agreement with the Council prior to the grant of planning permission. Section 10 of this document provides further guidance.

## **Provision of Affordable Housing Using Off-Site Contributions**

- 8.9 The Council has adopted a strategic approach to the use of future S106 funds to deliver affordable housing. The Council has invited Registered Providers to come forward with expressions of interest for funding to support schemes they are developing. These expressions of interest will be assessed and taken before the Environment, Health and Housing Committee to determine if the scheme meets the priorities for the funding.
- 8.10 Registered Providers will need to evidence they already have affordable housing stock within Fylde and that local management arrangements are in place. It is preferred that Registered Providers are registered as a partner in the Choice Based Letting (CBL) Scheme MyHomeChoiceFyldeCoast. If Providers current stock levels are not sufficient to formally become a partner with the scheme, that they have an allocation arrangement in place for affordable homes developed in Fylde with a partner of the (CBL) scheme.
- 8.11 Each scheme will be assessed under the following five criteria:
- Brownfield site – any previously developed land that is not currently in use, whether contaminated or not;
  - Local regeneration to an area – to support environmental, economic and social well-being of an area, and the sustainability of local communities;
  - Value for money – consideration of match funding available from other sources that will enable the development, for example Homes England funding and private finance raised by the Registered Provider.
  - Tenure to be Social or Affordable rent – Affordable and social rented housing is let by private registered providers of social housing to households that are eligible for social rented housing. Affordable rent is not more than 80% of the local market rent (including services charges, where applicable). Guideline target rents are determined through the national rent regime for social rented housing that are agreed by the local authority and Homes England.
  - Evidence of a need for affordable housing provision – The proposed scheme should take into account levels of housing need for development as determined by the Strategic Housing Market Assessment and Local Plan to 2032. In addition details of households registered for re-housing through MyHomeChoiceFyldeCoast will be considered to establish if the proposed size of units and location will meet housing need within Fylde.

## 9. Management arrangements

### Allocation

- 9.1 It is imperative that affordable housing delivered through the Council's Local Plan policies provides for people in Fylde who are in affordable housing need. Therefore, the entitlement to apply for affordable housing units is restricted to ensure, as far as is practicable, that those provided with affordable housing are people in Fylde in affordable housing need.
- 9.2 The Council, notwithstanding its status as Local Planning Authority and Local Housing Authority, has no control over the allocation of affordable housing unless such control is written into the Affordable Housing Statement secured through the S106 agreement or Unilateral Undertaking, or through a planning condition. Ensuring that such controls are sufficient is vital.
- 9.3 The restrictions that the Council will require applied to each tenure are set out below. It will normally be necessary that provisions to ensure that the restrictions are placed, and retained in the future, are contained within affordable housing statement and secured by the S106 agreement or planning condition.
- 9.4 Affordable housing, of whichever tenure, should only be allocated to those with a maximum of £30,000 in savings and a maximum household income of £60,000. This is in accordance with the criteria used by MyHomeChoiceFyldeCoast for eligibility to bid. These limits will be subject to review in line with the criteria used by MyHomeChoiceFyldeCoast and any specified in national policy.

### Local connection test

- 9.5 All affordable units are to be rented or sold to people with a local connection as set out in Consistent Assessment Policy operated by MyHomeChoiceFyldeCoast, the choice-based lettings scheme. This will mean that homes will be allocated to those applicants with a local connection to the Borough of Fylde, either through residence or work. Applicants must therefore be able to demonstrate they meet one or more of the following criteria:
- Local residency – they have lived in the local authority of Fylde continuously for the last three years;
  - Permanent employment in the area of Fylde or offer of permanent employment that is intended to last for at least 12 months;
  - Close family association – has a parent, adult child, adult brother or sister who is living in the area of Fylde and has done continuously for the last 5 years;
  - Applicants who are serving in the Armed Forces and who are either employed or are resident in the area of Fylde; and
  - Former armed forces personnel who had a previous residence in the area of Fylde as a result of a former posting in the area of Fylde within the last 5 years.
- 9.6 Within the rural settlements affordable properties require a local connection to the parish which includes priority for current residence in the parish, family residing in the parish, the need to give or receive care in the parish, or other long standing connection. With new build stock in rural areas enabled under a S106 agreement or planning condition, where an occupant does not come forward with a local connection to a particular parish the eligibility

criteria can open up to a Fylde Borough connection. New build stock delivered under a S106 agreements cannot be let to households outside of Fylde.

### **Affordable Rent**

- 9.7 People who wish to express an interest in taking up affordable housing in Fylde, register their interest through the MyHomeChoiceFyldeCoast service, the choice-based lettings scheme operated on behalf of affordable housing providers (including Progress Housing who took over Fylde Council's former housing stock) and Fylde, Blackpool and Wyre Councils.
- 9.8 The Council will require affordable housing provided on development sites or through developer contributions, as affordable homes for rent, are allocated through MyHomeChoiceFyldeCoast. It will be a requirement for this to be incorporated in the Affordable Housing Statement, tied to the planning condition, Section 106 Agreement or Unilateral Undertaking, which will require the agreement of the Registered Provider as well as the Council and applicant.

### **Shared Ownership**

- 9.9 Under the Shared Ownership Affordable Housing Programme (SOAHP) 2016-21 operated by the Homes England no shared ownership properties funded under this scheme can be subject to local occupancy restrictions. The properties must be occupied as the main or only home by the purchaser.
- 9.10 Initial and future sales of shared ownership homes will be marketed and sold to customers whose eligibility is determined with regard to local incomes and local house prices, in accordance with the Shared Ownership and Affordable Homes Programme in force at the time of the application. The Council would expect that applicants will normally meet the local connection criteria as apply to other types of affordable housing.

### **Discounted Market Sale**

- 9.11 The Council's policy is as follows:
- Must be a qualifying buyer unable to afford a home in their local market. Applicants must not be able to buy a home suitable for their needs within a reasonable travelling distance of their work place, without assistance. Qualifying purchasers must live, work or have a family connection to Fylde, specifically one of the following must apply but in no particular order:-
    - They are permanently employed in the Borough of Fylde
    - They have been offered permanent employment in the Borough of Fylde
    - Or in the opinion of the Council has some other sufficiently long-standing connection with the Borough of Fylde
    - They have lived in the Borough of Fylde continuously for the last 3 years
    - Have a close family association (a parent, adult child, brother or sister) who has lived in the Borough of Fylde continuously for the last five years
  - Must be able to demonstrate access to savings or sufficient funds to pay, if required, a deposit (which may be 5% or more of the purchase price), legal fees, stamp duty and other costs of moving.
  - Must be able to sustain home ownership in the longer term. Typically applicants will be employed on a permanent contract of employment (there are exceptions for key

workers). If self- employed, the applicant must be able to provide accounts for the last 3 years.

- Must occupy the property as their only and principal home.
- Must have a good credit history – if applicants have rent arrears during the last 12 months, are in breach of their current tenancy agreement or have an adverse credit history, which means they are unlikely to be able to sustain ownership, they will not be eligible for the scheme.
- Must take out a first mortgage with a qualifying lender.
- Must be approved by the local authority as being eligible under the scheme for discounted market sale

9.12 Applicants for discounted market sale properties will therefore need to approach the developer who in turn will be required to ensure that any potential buyers for discounted market sale properties are assessed for eligibility by the Council before proceeding with the sale.

### **Implications for applicants/developers**

9.13 Whichever tenure is adopted, it will be necessary to ensure that the allocation policy is specified within the Affordable Housing Statement and secured through either Legal Agreement or planning condition.

### **Retention as Affordable in Perpetuity**

9.14 The Council will require that affordable housing is retained as affordable in perpetuity, or where staircasing up to full ownership takes place that the subsidy previously applied is recycled for further use for the provision of affordable housing.

9.15 Provisions, within either the legal agreement or by the Affordable Housing Statement secured by legal agreement or planning condition, will be required to state explicitly how this will be achieved.

9.16 In the case of affordable rented housing, where a home is purchased under right-to-buy legislation, the home will previously have been wholly (or partially) owned by the Registered Provider. The requirement for the Registered Provider to reinvest the proceeds for the further provision of affordable housing may be subject to legislative provision.

9.17 There will be a requirement that any affordable rented housing that becomes available for re-letting, shall be relet and not sold on the open market. Reletting shall be in accordance with the Council's allocation policy to those in affordable housing need.

9.18 In the case of discounted market sales housing, there will be the requirement for any future sale of the property to remain at a discounted price in perpetuity. This will be set at the same percentage of open market value as the original sale price. Open market value will be determined by assessment by two valuations undertaken by RICS-accredited valuers who are not connected to the vendor, with the average taken. When the property is offered for sale, there will be a requirement for the property to be offered in accordance with the Council's allocation policy. Owners will be required to complete and submit to the Council a form produced by the Council's Housing section in the first instance.

9.19 In the case of shared ownership homes, the occupier may purchase additional proportions of the equity from that acquired in the first instance, to "staircase" to a higher proportion of

ownership, including up to 100%. Where additional shares are purchased, this payment is made to the owner of the previously rented share, which will be a Registered Provider, and is a repayment of the subsidy originally provided as grant. Recycling of this funding to provide for further affordable housing in Fylde will be required, secured through the Affordable Housing Statement.

### **Service Charges**

- 9.20 The scope of any service charges to be imposed on occupiers must be expressly set out within the Affordable Housing Statement. Matters might include maintenance of the building, provision and maintenance of landscaping/gardens and other communal areas, security matters etc. The proposed level of charges should be declared in the Affordable Housing Statement and should not increase each year by more than the annual Consumer Price Index (CPI) published by the Government.

## 10. Viability Appraisal

- 10.1 The Framework stresses the importance of ensuring housing delivery, in order that councils fulfil the national priority to boost significantly the supply of housing. Councils are required to identify sufficient land through their local plans to meet their local housing need. Local plans must be viability tested to ensure that they are deliverable. The Framework strongly stresses that assessment of viability should be undertaken at the plan-making stage.
- 10.2 The Local Plan, adopted in October 2018, was viability tested in accordance with these requirements. The testing identified that the plan as a whole was viable, and the sites allocated were developable in accordance with the policies contained in the Local Plan.
- 10.3 PPG states that there is a presumption that development on development plan allocations will be viable, as the principle will have been tested through the Local Plan examination, as was the case in Fylde. It follows that a challenge to the requirements of the policies of the Local Plan on the grounds of viability will only be justified exceptionally.
- 10.4 PPG states that plans should set out the contributions expected from development; that policy requirements should be clear so that they can be accurately accounted for in the price paid for land; to provide this certainty affordable housing requirements should be set out as a single figure rather than as a range. The Local Plan requirement figure of 30% accords with this guidance.
- 10.5 Where a developer proposes a lower number of affordable homes than the 30% requirement, Local Plan policy H4 requires:
- “robust financially-based justification to be provided by the applicant, demonstrating that the development would be unviable with a higher level of affordable housing than proposed.”*
- 10.6 Since development in accordance with the Local Plan will be taken as viable, PPG states that the developer will be required to demonstrate that the particular circumstances justify the need for a viability assessment at the application stage. This could include where innovative types of development are proposed, unallocated sites very different from those allocated, where additional site costs have become apparent or where the macro-economic environment has significantly worsened.
- 10.7 Where the circumstances do not justify a reappraisal of viability, any viability assessment submitted in support of a planning application can be given limited weight at most.

### Contents of the Viability Appraisal

- 10.8 The PPG prescribes the inputs to any viability appraisal.
- 10.9 The PPG indicates that any Viability Assessment should include an Executive Summary which sets out the headline data in the format of a template, to follow the Government’s data standards. The template will be produced by Government, but is not currently available. In anticipation of the publication of this template, the Council has decided that it should not create its own template for viability appraisal, which could become very quickly inconsistent with that provided by Government.

- 10.10 Any Viability Assessment submitted with a planning application should be based on and refer back to the viability assessment that informed the Local Plan; the applicant should provide evidence of what has changed since then.
- 10.11 The Viability Assessment that informed the Local Plan was produced by Keppie Massie. It is in two main parts. The principal assessment was conducted in support of the Revised Preferred Option Local Plan, with an update provided in support of the Publication Version Local Plan. Both documents are available on the Council's website<sup>1</sup>.
- 10.12 The Local Plan's Viability Assessments utilise a residual valuation approach as the appraisal methodology, in accordance with the Royal Institution of Chartered Surveyors guidance note Financial Viability in Planning. Further details are provided in Section 3 of the main Viability Assessment<sup>2</sup> document. The Viability Assessment and update are based on an assessment of a range of site typologies reflecting on the mix of sites within the Local Plan, with a range of densities, housing types, locations and on greenfield/brownfield land. Site specific assessments were made for three sites.
- 10.13 Any Viability Assessment submitted with a planning application will therefore need to clearly relate the site concerned to the appropriate typologies within the viability assessment and provide justification for the reasons why changes have resulted in the original assessment or assumptions no longer being considered appropriate.

#### **Reassessment of Schemes**

- 10.14 Frequently, developers request revisions to schemes after initial approval, to alter the type or reduce the amount of affordable housing provided within the scheme.
- 10.15 The PPG stresses that, since the allocation of any site has been subject to Examination, where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. Therefore, the need for viability assessment should be exceptional.
- 10.16 There are some circumstances where a reassessment after an initial permission might be appropriate. These include, as referred to in PPG, where a recession or significant economic changes have occurred since the plan was brought into force. Other circumstances could be where the applicant has evidence of significant unforeseen costs, the initial affordable housing tenure proves to be unviable or difficult to deliver.
- 10.17 Where an assessment of viability is proposed by a developer, when one was not provided previously with the application, the same requirements will apply to a developer in producing an assessment of viability as would be required when submitted initially with an application.

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<sup>1</sup>

<https://www6.fylde.gov.uk/assets/legacy/getasset?id=fAA3ADcANQA0AHwAfABUAHIAdQBIAHwAfAAwAHwA0> and <https://online.fylde.gov.uk/council/planning-policy--local-plan-/local-development-framework/comprehensivelistofevidence/> (items ED016 a-e)

<sup>2</sup>

<https://online.fylde.gov.uk/assets/legacy/getasset?id=fAA3ADcANgA5AHwAfABUAHIAdQBIAHwAfAAwAHwA0>

## 11. Legal agreements and undertakings

- 11.1 Section 106 of the Town and Country Planning Act 1990 provides a mechanism for the provision of affordable housing in connection with the grant of planning permission, through a legal agreement.
- 11.2 It is necessary to ensure, where affordable housing is proposed as part of a development, that the Local Planning Authority retains safeguards to ensure that it is actually delivered, once planning permission is granted. There will be occasions when the Council will impose planning conditions to secure affordable housing delivery: usually this will be only in the most straightforward of cases.
- 11.3 Where the Council considers that the use of planning conditions will be ineffective, open to circumvention, or cannot provide for all of the obligations necessary, the Council will require the landowner to enter into a Section 106 legal agreement, or submit a Unilateral Undertaking committing to obligations under Section 106, to ensure a commitment to deliver affordable housing linked to the grant of planning permission.
- 11.4 Where it is necessary to secure provision of affordable housing through legal agreement, it will be necessary for the Council to produce the agreement. The landowner will be liable for the fees to pay the costs incurred by the Council's legal department whether or not planning permission is granted. The Council's legal department will only commence work on the legal agreement once formally instructed by the Council's Planning Section, which in turn will require the agreement of the landowner or applicant to pay the fees incurred.
- 11.5 The Council provides templates for legal agreements used to secure affordable housing provision. The templates are updated from time to time and are provided on the Council's website: <https://new.fylde.gov.uk/resident/planning/section-106-agreements/> The form of the main agreement is standardised and unlikely to require significant alteration; the schedules within the agreement will vary dependant on the nature of the obligations on the developer.
- 11.6 Where an applicant wishes to submit a draft agreement, it must only be produced using the template, it must be submitted in Word format and all changes to the template made by the applicant must be shown using Word's tracked changes facility.
- 11.7 When a draft agreement has been submitted with a planning application, the Council will hold it until the Council's legal department are formally instructed to proceed with further work on it. This instruction will only be accepted subject to confirmation that the costs incurred by the Council's legal department will be paid irrespective of the outcome of the planning application.
- 11.8 The submission of a draft agreement alongside the planning application and instruction to the Council's legal department may prove advantageous to applicants in allowing more rapid decision-making.
- 11.9 The legal agreement will, in most cases, need to make reference to the Affordable Housing Statement, and by virtue of this will link the obligations of the developer to the declared intentions set out within the Affordable Housing Statement.

## 12. Decision-taking, implementation and monitoring

- 12.1 Supplementary Planning Documents may be given weight in decision-making. Although not part of the Development Plan, they provide detailed guidance on the application of policy that is contained with the Local Plan. Therefore, accordance with the SPD helps an applicant demonstrate compliance with development plan policy. Failure to accord with the SPD may demonstrate failure to comply with the development plan policy, and this may justify the refusal of a planning application.
- 12.2 Therefore, the Council will use the SPDs as guidance for determining planning applications, in support of Local Plan policies. It will similarly be used for helping determine whether enforcement action is justified, where development has taken place that is unauthorised.
- 12.3 In addition, the Council will take account of the guidance within the SPD when bringing forward housing projects it will be undertaking, or are undertaken on its behalf.
- 12.4 The Council intends to include the requirement for an Affordable Housing Statement to be on its Local List of information requirements for the validation of a planning application. Where the applicant fails to provide this, or where what is provided does not constitute such a document for the purposes of determining the application, the Council intends that an application will be invalid and will not be processed or determined until this is remedied.
- 12.5 Where the Council considers that a development proposal is in contravention of an aspect of this SPD, the Council will inform the applicant and seek amendments to the application, including the affordable housing statement. It will be necessary for applicants to engage at the pre-application stage in order that the planning application including the affordable housing statement that is submitted will have been subject to officers' advice, and any necessary alterations made.
- 12.6 The outcomes of this SPD will be monitored through:
- The number of affordable homes delivered;
  - The proportion of sites where 30% affordable housing is achieved;
  - Adherence by applicants to the requirements for the content of Affordable Housing Statements;
  - Appraisal of the design quality of the affordable housing within completed developments.

## 13. Glossary

- 13.1 Certain definitions in this Glossary are based on existing National Policy at the time of the production of the document (shown by reference to that document where applicable). However, the definitions should be considered revised in the event that the national policy as shown is revised, superseded or deleted.

<b>Affordable Housing</b>	(Definition from the Framework (2019)): housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions: (see separate entries for Affordable housing for Rent, Starter Homes, Discounted Market Sales Housing, Other Affordable Routes to Home Ownership).
<b>Affordable Housing for Rent</b>	(Definition from the Framework (2019)): meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
<b>Affordable Rent</b>	A class of Affordable Housing for Rent (see separate entry), and complying with all of the restrictions under that definition. Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80 per cent of the local market rent (including service charges, where applicable).
<b>Build to Rent</b>	(Definition from the Framework (2019)): Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.
<b>Discount Market Sales Housing</b>	(Definition from the Framework (2019)): is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
<b>Market housing</b>	Housing sold or rented on the open market, without any planning restriction applied by the Council.
<b>Other affordable routes to home ownership:</b>	(Definition from the Framework (2019)): housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a

	period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.
<b>Planning Obligation</b>	A legal agreement entered into under section 106 of the Town and Country Planning Act 1990 to mitigate the impacts of a development proposal.
<b>Registered Provider</b>	A body that is registered by Homes England as a provider of social housing (including affordable rent and social rent) under the Housing and Regeneration Act 2008.
<b>Section 106 Agreement</b>	Section 106 (S106) of the Town and Country Planning Act, 1990 allows a Local Planning Authority to enter into a legally-binding agreement also called a planning obligation with a landowner in association with the granting of planning permission. S106 agreements or planning obligations are a way of addressing matters that are necessary to make a development acceptable in planning terms.
<b>Shared Ownership</b>	A class of affordable housing whereby a share of a home is bought, with the remainder rented through a Registered Provider.
<b>Social Rent</b>	A class of Affordable Housing for Rent (see separate entry), and complying with all of the restrictions under that definition. Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
<b>Starter Homes</b>	(Definition from the Framework (2019)): is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
<b>Supplementary Planning Document</b>	Documents which add further detail to the policies in the development plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.
<b>Sustainability Appraisal</b>	Appraisal of plans, strategies and proposals to test them against the four broad objectives set out in the Government's sustainable development strategy 'A Better Quality of Life: A Strategy for Sustainable Development for the UK', published in 1999.
<b>Unilateral Undertaking</b>	A unilateral undertaking is a legal document made pursuant to Section 106 of the Town and Country Planning Act 1990. This document provides that a landowner must make certain payments in the form of planning contributions if they implement a planning permission on the land in question.

### 13. References and further sources of information

Fylde Local Plan to 2032 <http://www.fylde.gov.uk/council/planning-policy--local-plan-/local-development-framework/adopted-fylde-local-plan-2032/>

National Planning Policy Framework <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

Planning Practice Guidance <https://www.gov.uk/government/collections/planning-practice-guidance>

St Annes on the Sea NDP <http://www.fylde.gov.uk/council/planning-policy--local-plan-/neighbourhood-planning/st-annes-sea-town-council-neighbourhood-plan/>

MyHomeChoiceFyldeCoast <https://www.myhomechoicefyldecoast.co.uk/Data/ASPPages/1/30.aspx>

Homes England Capital Funding Guide <https://www.gov.uk/guidance/capital-funding-guide/4-housing-for-rent>

Ratio of house price to workplace-based earnings (lower quartile and median), 1997 to 2018, Office for National Statistics  
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

House Price Statistics for Small Areas (HPSSAs) HPSSA Dataset 48: Lower quartile price paid for residential properties by LSOA, Office for National Statistics  
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/lowerquartilepricepaidbylowerlayersuperoutputareahpssadataset48>

Lower Layer Super Output Area (2011) to Ward (2017) Lookup in England and Wales, Office for National Statistics  
[http://geoportal.statistics.gov.uk/datasets/500d4283cbe54e3fa7f358399ba3783e\\_0](http://geoportal.statistics.gov.uk/datasets/500d4283cbe54e3fa7f358399ba3783e_0)

Housing with Care and Support Strategy 2018-2025, Lancashire County Council  
<http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=2ahUKEwjP-6K2-I7kAhVvRBUIHdqPCRUFjAAegQIBBAC&url=http%3A%2F%2Fwww.lancashire.gov.uk%2Fdocuments%2F138807%2FAppendix%2520A.pdf&usq=AOvVaw2xzDRBR12CW0rqaHNucku>

## Appendix 1: List of Affordable Housing Registered Providers With Housing Stock in Fylde

Name	Contact
Progress Housing Group	Lucy Cheetham <a href="mailto:lcheetham@progressgroup.org.uk">lcheetham@progressgroup.org.uk</a>
Great Places Housing Group	Paul Taylor <a href="mailto:Paul.Taylor@greatplaces.org.uk">Paul.Taylor@greatplaces.org.uk</a>
Muir Group Housing Association	Alex Fury <a href="mailto:alex.fury@muir.org.uk">alex.fury@muir.org.uk</a>
Places for People	John Wright <a href="mailto:John.Wright@placesforpeople.co.uk">John.Wright@placesforpeople.co.uk</a>
ForViva	Mark Edwards <a href="mailto:Mark.Edwards@forviva.co.uk">Mark.Edwards@forviva.co.uk</a>
Community Gateway	Stephen Galbraith <a href="mailto:Stephen.Galbraith@communitygateway.co.uk">Stephen.Galbraith@communitygateway.co.uk</a> <a href="mailto:andrew.mason@communitygateway.co.uk">andrew.mason@communitygateway.co.uk</a>
Jigsaw Homes Group / Adactus	Maria Runaghan <a href="mailto:maria.runaghan@jigsawhomes.co.uk">maria.runaghan@jigsawhomes.co.uk</a>
YMCA Housing	John Cronin <a href="mailto:John.Cronin@fyldecoastymca.org">John.Cronin@fyldecoastymca.org</a>
Step Forward Homes	Lawrence McNickle <a href="mailto:Lawrence@stepforwardhomes.co.uk">Lawrence@stepforwardhomes.co.uk</a>
Manchester and District Housing Association	Longley Lane, Northenden, Manchester M22 4HZ 0161 945 5204
Legal & General Affordable Homes	Alan Green <a href="mailto:alan.green@landgah.com">alan.green@landgah.com</a>
Sage Housing	Leigh-Anne Francis <a href="mailto:lf@sagehousing.co.uk">lf@sagehousing.co.uk</a>
Heylo Housing	Steve Matthews <a href="mailto:smatthews@heylohousing.com">smatthews@heylohousing.com</a>

## **Appendix 2: Affordable Housing Statement Template: Outline Applications**

**Statement prepared on behalf of XXXXX XXXXXXXX (*applicant*)**

**By XXXXXXXXXXX XXXXXXXXXXXX (*agent*)**

**Site address:**

*(Enter site address  
here)*

**Statement dated XXth XXXXXXXX 20XX**

This statement is provided in support of the outline planning application for the erection of XXX dwellings

**Net number of homes proposed on the whole site**

*(Insert number proposed)*

**Number of affordable homes proposed on-site**

*(Explain how the number of affordable homes proposed on site has been calculated)*

**Mix of sizes (no. of bedrooms) and types (i.e. houses/bungalows/flats) of affordable homes**  
*(required where the overall mix of sizes and types has been indicated on the application)*

Bedrooms			N/K	1	2	3	4+
Number of dwellings	Market	Houses					
		Flats					
		Bungalows					
	Affordable	Houses					
		Flats					
		Bungalows					

**Tenure mix**

*(insert tenure mix intended)*

**Name of Registered Provider appointed to take the housing stock**

*(insert name of Registered provider)*

### **Appendix 3:**

## **Affordable Housing Statement Template – Full or Reserved Matters Application**

**Statement prepared on behalf of XXXXX XXXXXXXX (*applicant*)**

**By XXXXXXXXXXX XXXXXXXXXXXX (*agent*)**

**Site address:**

*(Enter site address  
here)*

**Statement dated XXth XXXXXXXX 20XX**

This statement is provided in support of the full/reserved matters (*delete as necessary*) planning application for the erection of XXX dwellings. It relates to Condition XX of Outline Planning Permission application no. XX/XXXX OUT (*if applicable*), which states:

*(provide the text of the planning condition on the outline application if applicable)*

**Name of Registered Provider appointed to take the housing stock:**

*(insert name of Registered provider)*

**Number, mix and distribution of affordable homes**

The application proposes XXX net additional homes on the whole site. Of these, XXX will be affordable. The number of affordable homes proposed on site has been calculated as follows:

XXX net homes x 30% = YYY net affordable homes

*(provide further explanation of any other elements of the calculation)*

**Mix of dwellings on site:**

The affordable homes are shown individually identified by the plot numbers below on the site layout plan with the drawing number XXXXXXXXXXXX and will be:

*(fill in table)*

Developer's house type (name)	House/ flat/ bungalow	Bedrooms	Floor area sq m	Tenure	Number of units	Plot numbers

The affordable homes are distributed in XXX groups of between XX and XX affordable homes. The distribution has been chosen in order that ... *(Explain the reasoning for the distribution of the affordable dwellings within the site)*

**Phasing of delivery:**

No more than XXX market dwellings shall be delivered prior to the completion of transfer of YYY affordable dwellings to the agreed Registered Provider named below.

No more than WWW market dwellings shall be delivered prior to the completion of transfer of ZZZ affordable dwellings to the agreed Registered Provider named below.

## Transfer or sale of the completed affordable homes

All affordable homes shall on completion be transferred to a Registered Provider of affordable housing, except in the case of Discount Market Sales Housing units, which will be dealt with as detailed below.

**Affordable Rent Units** - the completed affordable rent homes shall be acquired by *(insert name of Registered Provider)*. The transfer value of the affordable rented homes shall be determined by agreement between *(insert name of developer)* and *(insert name of Registered Provider)*.

The affordable rent homes shall be transferred to *(insert name of Registered Provider)*. They shall be made available by the Registered Provider for affordable rent through MyHomeChoiceFyldeCoast to eligible applicants in accordance with the Council's lettings policy as detailed below in the section regarding occupancy.

At the end of any tenancy in connection with the above, the affordable rent properties shall be relet in the same way, and this shall continue in perpetuity unless subsequently agreed otherwise by the Council, or where the obligation is released by right-to-buy legislation.

The rent chargeable shall not exceed that specified in government policy in relation to affordable rented homes.

**Shared Ownership Homes:** These units shall be transferred directly to the end purchaser on a shared ownership basis, using a lease based on the standard Homes England standard shared ownership lease. The retained proportion of ownership will be transferred to the Registered Provider who will own and manage the property. The proportion owned by the purchaser can be varied according to the means of the purchaser, but will be between 25% and 75% of the open market value of the property.

Where a purchaser subsequently purchases further shares of the property, the Registered Provider shall reinvest the proceeds into further affordable housing: firstly in Fylde; secondly in the Fylde sub-region; thirdly elsewhere in North West England.

All transactions, both initial and subsequent shares, shall be reported periodically to the Council in a form and at intervals to be specified by the Council.

**Discount Market Sales Housing Units** - The discount sale units shall be disposed of in perpetuity to an end purchaser for a price which does not exceed XX% *(insert appropriate percentage in accordance with Appendix 4 of the Affordable Housing Supplementary Planning Document)* of market value, and other than to a person who meets the occupancy criteria.

The Transfer or lease (as appropriate) of every discounted market sales unit shall contain the following covenants by the Transferee for the benefit of the Council.

- 1) Not to allow the unit to be occupied other than by the Transferee and the Transferee's immediate dependents as their primary and sole residence (without prior consent of the Local Authority).

- 2) Not to dispose in perpetuity of the discounted sale unit at a price exceeding the Discount Price (*insert appropriate percentage in accordance with Appendix 4 of the Affordable Housing Supplementary Planning Document*).
- 3) Not to dispose of the discounted sale unit other than to a person in housing need who meets the occupancy criteria as detailed elsewhere in this statement.
- 4) To enter a restriction on the registered title in favour of the Council as soon as reasonably practicable following first registration and to produce official copies of the title to the Council within 14 days of the completion of such registration.
- 5) Not to dispose of a discounted sale unit without the intended buyer covenanting directly with the Council (and paying the Council's associated legal costs) to observe and perform the terms of this Scheme and delivering a completed deed of covenant in such terms to the Council in a form reasonably acceptable to the Council.

## Occupancy of the Affordable Homes

**Affordable rented units:** the properties shall only be rented to people with a local connection as set out in the Consistent Assessment Policy operated by MyHomeChoiceFyldeCoast, the choice-based lettings scheme. This will mean that homes will be allocated to those applicants with a local connection to the Borough of Fylde, either through residence or work. Applicants must therefore be able to demonstrate they meet one or more of the following criteria:

- Local residency: has lived in the local authority of Fylde continuously for the last three years;
- Permanent employment in the area of Fylde or offer of permanent employment that is intended to last for at least 12 months;
- Close family association – has a parent, adult child, adult brother or sister who is living in the area of Fylde and has done continuously for the last 5 years;
- Applicants who are serving in the Armed Forces and who are either employed or are resident in the area of Fylde; and
- Former armed forces personnel who had a previous residence in the area of Fylde as a result of a former posting in the area of Fylde within the last 5 years.

*(Where the application site is located within or adjacent to the rural settlements)* In addition, as the application site lies within / adjacent to the rural settlement of *(insert name of settlement)* the properties shall only be rented to people who have demonstrated a local connection to *(insert name of parish)* parish or adjoining parishes within the Borough of Fylde in line with the criteria above. Immediately prior to and during the period of offer for let, the availability of the properties shall be publicised locally by *(insert name of developer)* jointly with *(insert name of registered provider)*, the parish councils *(insert name of parish)* and adjoining parishes within Fylde) and Fylde Council, by means of advertising within the parish on parish noticeboards, in parish newsletters and the holding of an open day. Where an occupant does not come forward with a local connection to *(insert name of parish)* within a period a period of 3 weeks commencing with the day of first offering a dwelling for let or within the first 3 letting cycles (whichever is the earlier) through MyHomeChoiceFyldeCoast, the eligibility criteria may be widened to a Fylde Borough connection. The affordable rented homes on this site cannot be let to households that do not demonstrate any of the connections to Fylde specified above.

In addition, the properties shall only be rented to people with no more than £30,000 in savings and with a household income of no more than £60,000 per annum. These amounts shall be updated in accordance with the MyHomeChoiceFyldeCoast Consistent Assessment Policy, or any successor policy.

When a tenancy ends and a property vacated, the property shall be relet only to people who fulfil the same criteria above.

## Shared Ownership Homes

The developer (*enter developer name*) will market and sell shared ownership homes in line with the criteria in Homes England's regulatory framework, using the Homes England standard shared ownership lease. The properties must be occupied as the main or only home by the purchaser.

Initial and future sales of shared ownership homes will be marketed and sold to customers whose eligibility is determined with regard to local incomes and local house prices, in accordance with the Shared Ownership and Affordable Homes Programme in force at the time of the application. The Council would expect that applicants will normally meet the local connection criteria as detailed above.

**Discounted Market Sales Homes:** the discounted market sales dwellings (plot numbers *insert plot numbers*) shall be marketed by (*insert name of applicant*).

Purchasers of discount market sales housing units must satisfy the following criteria:

- Shall have reasonably demonstrated to the Council that having regard to house prices within the Local Area, they are unable to afford Open Market Housing based on their earned income and any available capital and on the earned income and available capital of any person living with them which it would be reasonable to take into account and assuming a mortgage of not more than three (3) times their earned income plus the earned income of any other person aforesaid or such other less restrictive criteria as may be reasonably agreed by the Council from time to time; and
- Be able to demonstrate they meet one or more of the following criteria:
  - Local residency – they have lived in local authority of Fylde continuously for the last three years;
  - Permanent employment in the area of Fylde or offer of permanent employment that is intended to last for at least 12 months;
  - Close family association – has a parent, adult child, adult brother or sister who is living in the area of Fylde and has done continuously for the last 5 years;
  - Applicants who are serving in the Armed Forces and who are either employed or are resident in the area of Fylde; and
  - Former armed forces personnel who had a previous residence in the area of Fylde as a result of a former posting in the area of Fylde within the last 5 years.
- Must be approved in writing by the Council such approval not to be unreasonably withheld or delayed and will in any event be provided within 3 working days of application by the developer.
- Shall enter into a covenant directly with the Council to observe and perform the terms of this Scheme, particularly those contained above.

On the resale of the property, the same criteria shall apply to the subsequent purchaser.

## Management and charges

The following aspects of the management of the site will be undertaken by the Registered Provider XXXXXXXXXXXXX / YYYYYYYYYYYYYY Management Company (*delete as applicable, insert name of RP or company*) in perpetuity, unless agreed in writing by the Council:

*(List areas or responsibilities covered).*

*e.g.*

- Maintenance and upkeep of the landscaped areas denoted by *(insert colour or means of denotation)* shading on the landscaping plan / site layout plan (*delete as applicable, insert plan reference*) in accordance with the approved landscaping management plan ref *(insert reference of document)*.

Charges will be imposed per dwelling, payable by the occupiers to the Registered Provider XXXXXXXXXXXXX / YYYYYYYYYYYYYY Management Company (*delete as applicable, insert name of RP or company*), at a rate of £ZZZ annually per dwelling, which may be increased annually by no more than the Consumer Price Index published by Government.

## **Appendix 4: Discount Applicable for Discount Market Sales Housing**

The tables that follow provide the data from the Office for National Statistics which is used to determine the appropriate level of discount for discount market sales housing in different parts of the Borough of Fylde.

The first page of the table provides the summary data and the subsequent pages the raw data for the lower super output areas (LSOAs). The lower quartile house prices for the year to September 2018 for the individual LSOAs have been used to produce a figure across whole settlements or groups of settlements which are shown in the summary table. This has been used to deduce a figure of discount that can be applied for the level of deficit to make up the approximate shortfall suffered by a household at the lower quartile earnings level for Fylde (based on the earnings of the lower quartile worker in Fylde to the year-end April 2018, of £21,445).

The LSOAs have been identified as close as possible with the ward boundaries for Fylde using the Office for National Statistics LSOA to Ward lookup data. This has allowed the LSOAs to be identified with a particular settlement with a reasonable degree of accuracy.

The amounts of discount in the right-hand column derive from that needed to (approximately) ensure affordability for the lower-quartile worker in the borough. However, the actual discount applied as set out in Chapter 3 has been moderated, to ensure that provision of such housing remains viable, in Lytham and in Wrea Green (Rural South) (where in both cases the larger-than-average dwelling profile affects the data) and in Newton and Clifton (Rural East) (where the impact of very high values in Treales, Roseacre and Wharles affects the data, whilst any units would be delivered in Newton and Clifton).

**Calculation of appropriate discounts for discount market sales housing, settlements across the Borough of Fylde**

Using Borough-wide lower quartile 1 1/2 incomes, with a mortgage of 3 x that and 10% deposit

Settlement group	Lower quartile price paid for residential properties, year ending Sept 2018	Lower quartile workers could raise as %	Discount applicable
Rural North	178,938	59.92%	40
Fylde-Blackpool Periphery	134,950	79.46%	20
Rural South	244,995	43.77%	55
Rural East	166,750	64.30%	35
Kirkham and Wesham	134,428	79.76%	20
St Annes	128,039	83.74%	20
Freckleton and Warton	136,125	78.77%	25
Lytham	185,636	57.76%	45

Local authority code	Local authority name	LSOA code	LSOA name	Lower quartile price paid for residential properties, year ending Sept 2018	Ward (best fit)	Group Within
E07000119	Fylde	E01024993	Fylde 001A	160,500	Elswick and Little Eccleston	Rural North
E07000119	Fylde	E01025026	Fylde 001B	270,250	Singleton and Greenhalgh	Rural North
E07000119	Fylde	E01025027	Fylde 001C	132,000	Staining and Weeton	Rural North
E07000119	Fylde	E01025028	Fylde 001D	153,000	Staining and Weeton	Rural North
E07000119	Fylde	E01025031	Fylde 001E	134,950	Warton and Westby	Fylde-Blackpool Periphery
E07000119	Fylde	E01025007	Fylde 002A	194,498	Kirkham North	Kirkham and Wesham
E07000119	Fylde	E01025008	Fylde 002B	152,500	Kirkham North	Kirkham and Wesham
E07000119	Fylde	E01025009	Fylde 002C	105,000	Kirkham North	Kirkham and Wesham
E07000119	Fylde	E01025011	Fylde 002D	90,000	Kirkham South	Kirkham and Wesham
E07000119	Fylde	E01025012	Fylde 002E	147,500	Medlar-with-Wesham	Kirkham and Wesham
E07000119	Fylde	E01025013	Fylde 002F	104,000	Medlar-with-Wesham	Kirkham and Wesham
E07000119	Fylde	E01025019	Fylde 002G	244,995	Ribby-with-Wrea	Rural South
E07000119	Fylde	E01024998	Fylde 003A	142,000	Freckleton East	Freckleton and Warton
E07000119	Fylde	E01025010	Fylde 003B	147,500	Kirkham South	Kirkham and Wesham
E07000119	Fylde	E01025014	Fylde 003C	183,500	Newton and Treales	Rural East
E07000119	Fylde	E01025015	Fylde 003D	150,000	Newton and Treales	Rural East
E07000119	Fylde	E01025004	Fylde 004A	131,750	Kilnhouse	St Annes
E07000119	Fylde	E01025006	Fylde 004B	95,000	Kilnhouse	St Annes
E07000119	Fylde	E01025023	Fylde 004C	157,750	St Leonards	St Annes
E07000119	Fylde	E01025024	Fylde 004D	134,995	St Leonards	St Annes
E07000119	Fylde	E01025025	Fylde 004E	135,000	St Leonards	St Annes
E07000119	Fylde	E01025001	Fylde 005A	94,995	Heyhouses	St Annes
E07000119	Fylde	E01025002	Fylde 005B	123,750	Heyhouses	St Annes
E07000119	Fylde	E01025005	Fylde 005C	150,000	Kilnhouse	St Annes
E07000119	Fylde	E01025016	Fylde 005D	240,000	Park	Lytham
E07000119	Fylde	E01025018	Fylde 005E	156,000	Park	St Annes

E07000119	Fylde	E01024984	Fylde 006A	154,000	Ashton	St Annes
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Local authority code	Local authority name	LSOA code	LSOA name	Lower quartile price paid for residential properties, year ending Sept 2018	Ward (best fit)	Group Within
E07000119	Fylde	E01024985	Fylde 006B	164,500	Ashton	St Annes
E07000119	Fylde	E01024986	Fylde 006C	103,000	Ashton	St Annes
E07000119	Fylde	E01024987	Fylde 006D	58,500	Central	St Annes
E07000119	Fylde	E01024988	Fylde 006E	104,500	Central	St Annes
E07000119	Fylde	E01024989	Fylde 006F	120,000	Central	St Annes
E07000119	Fylde	E01024996	Fylde 006G	125,000	Fairhaven	St Annes
E07000119	Fylde	E01024997	Fylde 007A	125,000	Freckleton East	Freckleton and Warton
E07000119	Fylde	E01024999	Fylde 007B	134,750	Freckleton West	Freckleton and Warton
E07000119	Fylde	E01025000	Fylde 007C	139,000	Freckleton West	Freckleton and Warton
E07000119	Fylde	E01025029	Fylde 007D	146,000	Warton and Westby	Freckleton and Warton
E07000119	Fylde	E01025030	Fylde 007E	130,000	Warton and Westby	Freckleton and Warton
E07000119	Fylde	E01024981	Fylde 008A	180,000	Ansdel	Lytham
E07000119	Fylde	E01024982	Fylde 008B	90,250	Ansdel	Lytham
E07000119	Fylde	E01024983	Fylde 008C	185,000	Ansdel	Lytham
E07000119	Fylde	E01024994	Fylde 008D	127,000	Fairhaven	St Annes
E07000119	Fylde	E01024995	Fylde 008E	195,000	Fairhaven	Lytham
E07000119	Fylde	E01025003	Fylde 008F	152,000	Heyhouses	St Annes
E07000119	Fylde	E01025017	Fylde 008G	145,000	Park	St Annes
E07000119	Fylde	E01024990	Fylde 009A	226,500	Clifton	Lytham
E07000119	Fylde	E01024991	Fylde 009B	162,500	Clifton	Lytham
E07000119	Fylde	E01024992	Fylde 009C	215,000	Clifton	Lytham
E07000119	Fylde	E01025020	Fylde 009D	194,000	St Johns	Lytham
E07000119	Fylde	E01025021	Fylde 009E	173,750	St Johns	Lytham
E07000119	Fylde	E01025022	Fylde 009F	180,000	St Johns	Lytham

## **Appendix 5: Calculation of Contributions Required for Off-Site Affordable Housing**

The calculation of the contributions due where provision of affordable housing off-site has been agreed by the Council, should follow the following process.

The number of affordable dwellings equivalent to be provided off-site should be established. This should use the 43% calculation.

A mix of this number of affordable homes that would be appropriate to contributing to fulfilling affordable housing need in the settlement concerned in line with Local Plan policy should be established. This should specify the different types, sizes and tenures of affordable home, e.g. a certain number of 2-bedroom affordable rent flats, a certain number of discount market sales 3-bedroom semi-detached houses etc, and the number of each. These numbers should add to the total provided by the 43% calculation.

An open market valuation of an example of each of these property types should then be undertaken, supposing that they were to be built on the application site. Such valuations should be undertaken by two RICS-accredited valuers not associated with the developer, and the average value taken for each type. The valuations should assume that the notional properties would be built concurrently with the remainder of the development on the site and should be informed by valuations of the actual dwellings proposed to be constructed on the site. These valuations should then be multiplied by the number of each type identified as above.

The transfer value of these homes should then be assessed. This will be undertaken by the developer in association with Registered Providers. In the case of discount market sales housing, the transfer value will be the discounted sale price after applying the discount set out in Appendix 4. For affordable rented and shared ownership housing, assessments from two different Registered Providers for each property type will be required, with an average taken for each.

Once established, these transfer values should be multiplied by the number of the particular dwelling type, for each type.

The difference between the sum of all of the notional homes at open market value, and the sum of the transfer values of all of the notional homes, provides the total amount of the contribution required in relation to affordable housing on the site.

The following table may be used to complete the calculation or remodelled as appropriate:

### Off-Site Affordable Housing Contribution Calculator

Housing type/size	Tenure	Number of units	Open market valuation		Transfer value	
			Per dwelling	Total	Per dwelling	Total
1-bedroom flat	Affordable rent					
2-bedroom flat	Affordable rent					
2-bedroom house	Affordable rent					
2-bedroom house	Shared ownership					
2-bedroom house	Discount market sale					
3-bedroom house	Affordable rent					
3-bedroom house	Shared ownership					
3-bedroom house	Discount market sale					
4-bedroom house	Affordable rent					
4-bedroom house	Shared ownership					
4-bedroom house	Discount market sale					
Other						
<b>Totals</b>						
<b>Total contribution payable</b>						

**Worked example (100 unit scheme, 30% affordable housing off-site)**

Housing type/size	Tenure	Number of units	Open market valuation		Transfer value	
			Per dwelling	Total	Per dwelling	Total
1-bedroom flat	Affordable rent	6	£170,000	£1,020,000	£90,000	£540,000
2-bedroom flat	Affordable rent					
2-bedroom house	Affordable rent					
2-bedroom house	Shared ownership	4	£200,000	£800,000	£120,000	£480,000
2-bedroom house	Discount market sale	10	£200,000	£2,000,000	£120,000	£1,200,000
3-bedroom house	Affordable rent	15	£240,000	£3,600,000	£140,000	£2,100,000
3-bedroom house	Shared ownership					
3-bedroom house	Discount market sale	4	£240,000	£960,000	£140,000	£560,000
4-bedroom house	Affordable rent	4	£280,000	£1,120,000	£170,000	£680,000
4-bedroom house	Shared ownership					
4-bedroom house	Discount market sale					
Other						
<b>Totals</b>		<b>43</b>		<b>£9,500,000</b>		<b>£5,560,000</b>
<b>Total contribution payable</b>						<b>£3,940,000</b>



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