



# **AFFORDABLE HOUSING**

## **SUPPLEMENTARY PLANNING DOCUMENT**

**Adopted Jan 2026**

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# 1. Introduction

## Purpose of this document

- 1.1 Supplementary Planning Documents (SPDs) are documents that build upon and provide more detailed advice or guidance on policies contained in an adopted local plan. SPDs cannot introduce new planning policies, nor can they add unnecessary financial burdens on development. SPDs are capable of being a material consideration in planning decisions but are not part of the Development Plan. The requirements for producing SPDs are set out, at the current time, in Regulations 11 to 16 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).
- 1.2 This SPD sits alongside the St Helens Borough Local Plan up to 2037 (2022) (the 'Local Plan'), which was adopted in July 2022. The Affordable Housing SPD will set out the Council's expectations in relation to affordable housing provision on development sites, to ensure that prospective developers are aware of the requirements that need to be met when submitting a planning application for residential development. It provides guidance in relation to the interpretation and implementation of the policies in the Local Plan, in particular, Policy LPC02 (Affordable Housing) - see **Appendix 1** for full policy wording.

## Key objectives

- 1.3 National planning policy requires the Council to plan for the delivery of a wide choice of high-quality homes within sustainable, inclusive and mixed communities, based on sound evidence, and to identify the size, type, tenure and range of housing that is required. Affordable housing is a key element of the Government's plan to end the housing crisis, tackle homelessness and provide aspiring homeowners with a step onto the housing ladder.
- 1.4 The Council is seeking to achieve a mix of housing that reflects St Helens Borough's housing needs, and in accordance with national planning policy, this includes providing housing for different groups including those who require affordable housing. Everyone has the right to a home and St Helens Borough Council is committed to delivering the right homes in the right places in order to provide for the current and future needs of all residents of our Borough.
- 1.5 The key objectives of this SPD are to:
  - Provide clear guidance to assist in the determination of planning applications for developments.
  - Support the increased provision of affordable housing in the borough in order to meet local needs.

- Provide a range of affordable homes in relation to tenure, size and location.
- Ensure that local residents have the opportunity to buy or rent a home that is affordable for their income.

## 2. Planning Policy Context

### National Policy and Guidance

#### Planning Policy Framework

- 2.1 At a national level, the National Planning Policy Framework (NPPF) provides the overarching national planning policy with which local planning documents must conform. The NPPF (updated in December 2024) seeks to significantly boost the supply of housing and to achieve healthy, inclusive and safe places.
- 2.2 Section 5 of the NPPF concerns the specific issue of the supply of homes, with paragraphs 63 to 68 of the NPPF addressing the delivery of sufficient housing including affordable housing.
- 2.3 Paragraph 63 of the NPPF sets out that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies, with paragraph 64 highlighting that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required and expect it to be met on-site other than in specific circumstances.
- 2.4 Paragraph 66 of the NPPF requires a mix of affordable housing on major housing sites to be provided to meet identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures.
- 2.5 Paragraphs 67 and 68 of the NPPF relate to affordable housing provision on major housing sites, either on land which is proposed to be released from the Green Belt, or which may be permitted on land within the Green Belt.
- 2.6 Annex 2 of the NPPF is its Glossary, and this provides the Government's definition of affordable housing. The definition is considered further elsewhere in this document.

#### Planning Practice Guidance

- 2.7 Planning Practice Guidance (PPG) sets out that all households whose needs are not met by the market, and which are eligible for one or more of the types of affordable housing set out in the definition of affordable housing in Annex 2 of the NPPF are considered to be in affordable housing need. The PPG advises

*‘Strategic policy-making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market.’*

- 2.8 In November 2014, the Government announced changes to the PPG including the introduction of ‘vacant building credit’. This provision applies to the redevelopment of brownfield sites and requires Local Planning Authorities to take account of the floorspace of any existing buildings on site when calculating affordable housing requirements for the proposed new development.
- 2.9 In May 2021, the Government introduced ‘First Homes’ as a new tenure of affordable housing within the affordable home ownership typology, with the PPG updated to set out the requirements for the provision of first homes and a model section 106 agreement developed to be used to secure first homes.

## Sub-Regional Policy and Guidance

### Liverpool City Region Corporate Plan

- 2.10 The Liverpool City Region Combined Authority (‘Combined Authority’) Corporate Plan (2024 to 2028) sets out that the Combined Authority will work with partners in local authorities, housing associations, developers and communities to ensure that the city region provides quality homes for the people who need them, and that the homes are well designed, energy efficient and meet a wide range of housing needs. The plan further sets out that the combined authority will *‘Champion a refreshed approach to strategic housing planning and delivery, improving the design and accessibility of housing by 2027’* and in line with local planning policy *‘...will deliver 20% affordable housing across any new funding programme’*. It is additionally set out that the Combined Authority will *‘Explore options to address the housing challenges across the city region including council house building and affordable housing.’*

### Liverpool City Region Housing Strategy

- 2.11 The Combined Authority has set out its main housing priorities in its housing statement - ‘Our Housing Priorities for the Liverpool City Region 2019-2024’. The statement sets out five overarching priorities as follows:
- Delivering more homes, improving housing choice and quality.
  - Supporting our Ageing Population.
  - Regenerating our Neighbourhoods.
  - Improving the Quality of Renting.
  - Tackling Homelessness.

- 2.12 'Priority A' (Delivering more homes, improving housing choice and quality) details that *'Properly affordable housing, whether social, public, or privately owned, will be a key part of ensuring our housing mix supports a truly inclusive economy, which works for our citizens.'* It is further detailed that *'Providing the right type, tenure and affordability of housing is an important part of securing long term sustainable economic growth and successful place-making'.*

### Liverpool City Region Housing Investment Strategy

- 2.13 The 'Liverpool City Region Housing Investment Strategy' identifies the need to rebalance the housing market across the City Region, with a need to improve and rebalance its housing offer - building on emerging market trends to widen choice and improve quality in the housing markets, taking advantage of the unique urban offer to provide new types of housing, and driving change in areas which have potential to deliver long term change and improvement.
- 2.14 The strategy details that *'Rebalancing our housing offer also needs to include widening the range and quality of social housing provision to meet increasing need. Evidence shows that the City Region has need for social housing across all sizes but with a particular emphasis on 1 bed and larger 4-bed social rent homes. This supply and demand imbalance reflect several issues, not least the impact of welfare reform (and how this has influenced affordable housing programmes) and demographic change. Addressing this imbalance is a key priority for us and will help meet wider objectives.'*
- 2.15 The strategy sets out a number of strategic investment priorities relating to new homes – one such being to widen and improve the affordable offer to meet housing need by providing *'Affordable homes across all sizes but with an emphasis and priority on 1-bed and 4+bedroom homes at social rent where this best meets local need.'*

### Liverpool City Region Spatial Development Strategy

- 2.16 The Liverpool City Region Spatial Development Strategy (SDS) is a statutory planning document that will provide a strategic plan for the development and use of land across the six local authorities of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral for the next 15-25 years. The SDS will set out an integrated economic, environmental, transport and social framework for the development of the Liverpool City Region. The SDS will only deal with planning matters that are of strategic importance to the city region, and these may not affect all areas but will have significance for the wider interests of the city region.
- 2.17 'Towards a Spatial Development Strategy for the Liverpool City Region up to 2040 (November 2023)', which was consulted on in late 2023 / early 2024, sets

out that the SDS can respond to housing issues by ensuring there are the number and appropriate mix of homes needed in the city region.

- 2.18 Draft Policy LCR DP2 (Sustainable and Inclusive Communities) sets out that development plans and proposals should contribute positively towards the creation of sustainable and inclusive communities, and that this will be achieved by, amongst other criteria, securing the provision of affordable housing in line with locally assessed needs ensuring any provision is of an appropriate type, tenure and size. The draft policy details that *‘The level of provision of affordable housing should be consistent with Local Plan viability evidence and subsequent local planning policy requirements’*.

## Local Policy and Guidance

### Our Borough Strategy (2021-2030)

- 2.19 The ‘Our Borough Strategy’ is the blueprint for working together for a better borough. It sets out the Council’s vision for St Helens Borough, the themes that identify our place, the six strategic priorities the Council will focus on and the outcomes the Council will strive to achieve. Priority three aims specifically to create safe and strong communities and neighbourhoods for all, including that neighbourhoods provide the right homes for all.

### St Helens Borough Housing Strategy (2022-27)

- 2.20 The current Housing Strategy (approved in June 2022) sets the Council’s vision for housing in St Helens until 2027. The main objective in the strategy is to ensure that the residents of St Helens have choices to live in a decent affordable home within a sustainable neighbourhood and where the right support is available where required. The strategy sets out that the Council will work in partnership with developers to continue to deliver affordable homes across the borough - including developing homes that help residents access home ownership.
- 2.21 The strategy sets out that demand for social housing in St Helens is high; there are currently 5,507 active applications on the ‘UnderOneRoof’ Housing Allocations System (May 2025), with the highest need continuing to be for single bedroom accommodation (55% of applicants).
- 2.22 The current levels of need for affordable rented housing are set out in the Housing Strategy, with it being advised that the Council will ensure that it maximises opportunities for continued delivery of affordable homes across the borough via funding mechanisms such as Homes England Strategic Partnerships and Continuous Market Engagement. It is set out that the Council will negotiate with developers for on-site delivery of homes via Section 106

Agreements where applicable and ensure that if on-site provision is not achievable, as an exception any commuted sums that are collected are directly invested into the local delivery of housing in line with the priorities of the strategy, with the Council working with developers to ensure that the affordable housing delivered on site meets local needs, offers opportunities for accessing home ownership and at first access, is affordable to local residents based on income and earnings data.

### St Helens Borough Local Plan up to 2037

- 2.23 The Local Plan was adopted by the Council in July 2022 and sets out the framework for the growth and development of St Helens Borough, identifying how and where new development and regeneration should take place and thereby guides the future development of St Helens.
- 2.24 The Local Plan consists of strategic policies as well as policies focussing on specific matters relating to homes and communities, environmental resources, and development control principles. All policies should be read alongside each other when considering development proposals.
- 2.25 A key priority of the Local Plan is to create and maintain sustainable communities by supporting the delivery of an appropriate mix of house types, size and tenures including affordable housing to meet the needs of the Borough.
- 2.26 Policy LPC02 (Affordable Housing) of the Local Plan<sup>1</sup> supports the delivery of affordable housing by encouraging new provision by Registered Providers of Social Housing. Proposals for new open market housing developments of 10 or more units (or sites of 0.5ha if the number is not known) are required to contribute to the provision of affordable homes.
- 2.27 The Local Plan identifies a need for a minimum of 117 new affordable dwellings per year and Policy LPC02 of the Local Plan sets out the circumstances in which affordable housing provision will be required to help meet this need and indicates the quantities that will be sought from open market housing development, based on a zonal approach due to known viability issues within the borough.
- 2.28 In assessing the precise types of affordable housing to be provided on each site, the Council will consider the latest version of the Strategic Housing Market Assessment (SHMA), any other evidence of need, and the latest definition of affordable housing set by the Government.

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<sup>1</sup> See Appendix 1 for full Policy LPC02 (Affordable Housing) wording

- 2.29 The policy further sets out that where affordable housing is required (or contributed towards) as part of a wider scheme, wherever possible, at least 10%<sup>2</sup> of the overall housing provision resulting from the proposals should be for affordable home ownership, with the remaining provided for affordable rented accommodation.
- 2.30 In addition to Policy LPC02, the Local Plan contains other policies that are relevant to this SPD which, amongst others, include:
1. Policy LPA01: Spatial Strategy
  2. Policy LPA02: Development Principles
  3. Policy LPA07: Infrastructure Delivery and Funding
  4. Policy LPA11: Bold Forest Garden Suburb
  5. Policy LPC01: Housing Mix

### 3. What is Affordable Housing?

- 3.1 The Council uses the definition of affordable housing as found at Annex 2 ('Glossary') of the NPPF, which defines it as *'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)'*.
- 3.2 There are four broad types of affordable housing (as set out in the NPPF):
- Social rent
  - Other affordable housing for rent
  - Discounted market sales housing
  - Other affordable routes to home ownership
- 3.3 Policy LPC02 of the Local Plan sets out that the types of affordable housing to be provided on any site must be informed by the latest evidence concerning need, and where an affordable housing requirement is triggered in line with Paragraph 2 of the policy:
- a) at least 10% of the overall number of homes to be provided should be available for affordable home ownership (unless this would significantly prejudice the ability to meet the identified needs of specific groups); and
  - b) any remaining proportion of the affordable housing to be provided should be for affordable rented accommodation.

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<sup>2</sup> Unless funded through the Homes England Affordable Homes Programme, then a 50 / 50 tenure split will normally be required, under their terms and conditions.

- 3.4 From time to time the Government introduces new affordable home ownership initiatives and the products that can be considered at the time of the submission of an application may differ from those specified in this document. Any new initiatives will be given due consideration subject to the existence of detailed planning guidance, and subject to the product being genuinely affordable to those with a local housing need.
- 3.5 Applicants are encouraged to go beyond the definition of affordable housing set out within the NPPF and the SPD, where possible in order to reflect real affordability within St Helens. This will involve tying affordability into local income bands and not arbitrary market discounts while using the standing housing cost burden thresholds of 30-35% (total of a household's income), which are updated annually via the ONS.
- 3.6 Detailed information in respect of the affordable housing types detailed below can be found in the planning practice guidance<sup>3</sup>.

## Social Rent

- 3.7 In St Helens there are no longer any affordable homes owned by the Council, with the Council's stock transferred in 2002 to Helena Partnerships (now known as Torus). All social housing is managed and owned by Registered Providers<sup>4</sup> who are registered with the Regulator of Social Housing. The rent is set in accordance with the Government's rent policy for social rent and provision will be made, via a Section 106 Agreement, and / or by planning condition and an Affordable Housing Statement, for the property to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. Section 106 Agreements will also ensure the property is available only for eligible persons and that the property cannot be offered for sub-letting. Social rent offers tenants a secure form of housing usually with lower rents than the affordable rent product and ensures the long-term affordability of housing to local people on low wages.

## Other Affordable Housing for Rent

### Affordable Rent

- 3.8 Affordable rented housing is owned and managed by Registered Providers (except where it is included as part of a Build to Rent scheme) and is for eligible households whose needs are not met by the open market. Affordable rents must be at least 20% below local market rents, inclusive of service charges.

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<sup>3</sup> [Planning practice guidance - GOV.UK](https://www.gov.uk/government/collections/planning-practice-guidance) (<https://www.gov.uk/government/collections/planning-practice-guidance>)

<sup>4</sup> Registered Providers support the provision of affordable housing, are independent companies and are controlled by the Regulator of Social Housing. The Council has partnered with several Registered Providers, through 'UnderOneRoof' to apply for social housing in the borough.

This is to ensure that in high value areas the affordable homes can still be affordable to those on lower incomes and who may require financial assistance towards meeting the cost of their rent. Rents must also remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision, and this will be noted in an Affordable Housing Statement and secured via a Section 106 Agreement and / or by planning condition.

### Local Housing Allowance Rent

- 3.8 The Local Housing Allowance (LHA) sets a rent level that can be covered by Housing Benefit or Universal Credit and is therefore affordable to all households. LHA Rent must not exceed the LHA for the relevant property type in the relevant location and should be made available in perpetuity. The Valuation Office Agency (VOA) is responsible for calculating the LHA. They apply a list of rents that are paid for private sector tenancies across the broad rental market area for each property category.

### Build to Rent

- 3.9 Build to Rent schemes generally consist of 100% purpose-built housing for rent. The NPPF states that affordable housing on build to rent schemes should be provided by default in the form of affordable private rent, a class of affordable housing specifically designed for build to rent. Affordable private rent and private market rent units within a development should be managed collectively by a single build to rent landlord.
- 3.10 The PPG states that national affordable housing policy requires a minimum rent discount of 20% for affordable private rent dwellings relative to local market rents. This discount should be calculated when a discounted home is rented out, or when the tenancy is renewed. The rent on the discounted homes should increase on the same basis as rent increases for longer-term (market) tenancies within the development.<sup>5</sup>
- 3.11 Eligibility for occupying affordable private rented homes will be agreed between the Council and the scheme operator, with the eligibility criteria set out in a Section 106 Agreement.

### Discounted Market Sales Housing

- 3.12 Discounted market sales / discounted market ownership housing are terms describing housing which is sold at a discount of at least 20% of the local market value, to households in need. The home is bought outright by purchasers who

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<sup>5</sup> [Build to rent - GOV.UK](https://www.gov.uk/guidance/build-to-rent#affordable-housing) (https://www.gov.uk/guidance/build-to-rent#affordable-housing)

meet the eligibility criteria, with eligibility determined with regard to local incomes and local house prices. Provision is made via a Section 106 Agreement to ensure that any future re-sale is restricted to a discount market price to ensure the home remains affordable.

- 3.13 Whilst the Council will generally support the provision of an element of discounted market sale housing on developments (where the need can be evidenced), significant numbers (to be determined on a case by case basis) of discounted sale properties on a single site are not encouraged because there are fewer mortgage lenders in the market for such properties, and a lender will typically only lend on a proportion of new homes in any one area.

### Other Affordable Routes to Home Ownership

- 3.14 Other affordable routes to home ownership are 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).
- 3.15 The PPG sets out that 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.

### Shared Ownership

- 3.16 Shared Ownership is an intermediate product and provides a way of helping households to buy a share in their own home when they cannot afford the full market value<sup>6</sup>. Shared ownership is a common form of new affordable housing for sale, as it is widely supported by the main mortgage lenders.
- 3.17 The household purchases an initial share of the property via a conventional mortgage (of at least 10%) and pays rent (capped below the market level) on the remaining proportion to the managing Registered Provider<sup>7</sup>. Additional shares can be purchased (referred to as 'staircasing') that will enable a resident to increase their equity share in the property and in many cases buy the final share and own the whole home.

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<sup>6</sup> [Shared ownership homes: buying, improving and selling: How shared ownership works - GOV.UK](https://www.gov.uk/shared-ownership-scheme) (https://www.gov.uk/shared-ownership-scheme)

<sup>7</sup> [Shared ownership homes: buying, improving and selling: Who can apply - GOV.UK](https://www.gov.uk/shared-ownership-scheme/who-can-apply) (https://www.gov.uk/shared-ownership-scheme/who-can-apply)

- 3.18 It is expected that the proportion offered for sale by the Registered Provider should not be fixed in advance but tailored to the individual circumstances of the individual household.

### Shared Equity

- 3.19 Shared equity enables homebuyers to pay a smaller deposit towards their home (usually 5%) while taking out an equity loan for the rest of the deposit (usually 20%). The equity loan is usually low, or no cost, meaning that little or no interest is payable; however, the equity loan is repayable in full at the end of the loan period. Alongside this, the homebuyer would need to take out a mortgage for the rest of the property value.

### Rent to Buy

- 3.20 Rent to buy is an intermediate home ownership product that allows households to pay an intermediate rent up to 80% of open market rent (including service charge), giving the occupant the opportunity to save for a deposit which could enable them to purchase the property after two years following moving in<sup>8</sup>. Rent to buy properties are not subject to local authority nominations, however, landlords may wish to work with the local authority to identify potential tenants. Applicants for rent to buy properties must be working and either first time buyers or starting a new household following a relationship breakdown and must be able to pay rent and save for a house deposit simultaneously. An affordability check will be carried out to ensure that the applicant can afford the rent from the start and can realistically purchase the property (or a share in the property through a shared ownership scheme) in the future<sup>9</sup>. If at the end of the period the occupier chooses to not purchase the dwelling, then the dwelling becomes available again for a new occupier using the rent to buy product.

### First Homes

- 3.21 First homes are a type of affordable housing introduced by the Government in 2020<sup>10</sup>. First homes work similarly to discounted market sale but with a fixed discount of 30% below local market value (this may vary where evidence shows that a higher discount is suitable). They are only available for first time buyers who have a total household annual income below £80,000 and purchasers must have a mortgage or home purchase plan (if required to comply with Islamic law) for at least 50% of the discounted purchase price. The Government have also given Councils the power to apply additional eligibility criteria such as lower income caps, key workers and a local connection to the borough, to ensure first time buyers most in need of affordable housing are prioritised.

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<sup>8</sup> [Rent to Buy: pay lower rent to save for a deposit: Buying a home - GOV.UK](https://www.gov.uk/rent-to-buy/buying-a-home) (<https://www.gov.uk/rent-to-buy/buying-a-home>)

<sup>9</sup> [Rent to Buy: pay lower rent to save for a deposit: Eligibility - GOV.UK](https://www.gov.uk/rent-to-buy/eligibility) (<https://www.gov.uk/rent-to-buy/eligibility>)

<sup>10</sup> [First Homes - GOV.UK](https://www.gov.uk/guidance/first-homes) (<https://www.gov.uk/guidance/first-homes>)

- 3.22 The updated NPPF (December 2024) removed the requirement to deliver a minimum of 25% of affordable housing as first homes. Footnote 31 of the NPPF details that the delivery of first homes can however continue where Local Planning Authorities judge that they meet local need.

## 4. Delivery of Affordable Housing

### Affordable Housing Thresholds

- 4.1 Paragraph 65 of the NPPF sets out a national threshold for when affordable housing is required as part of residential development:
- “Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer)”.*
- 4.2 Development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more, are defined as “major development” in the NPPF glossary<sup>11</sup>. Policy LPC02 of the Local Plan reflects the guidance within the NPPF, and as there are no ‘designated rural areas’ in the borough, the Council will not require contribution towards affordable housing provision from developments of 9 units or less or which have a site area of less than 0.5 hectares.
- 4.3 The Council will expect the provision of affordable housing for sites above the policy thresholds to be delivered on new build sites and when buildings are converted to a residential use (including the change of use of an existing dwelling to flats) or where a change of use is made from any residential use with shared facilities (such as bed-sit accommodation or a care home) to independent residential units with separate facilities.
- 4.4 Sheltered housing and extra care facilities, where self-contained units are provided, and ‘park homes’<sup>12</sup> will also be required to provide affordable housing. The policy will apply in these circumstances to any net increase where the resulting number of units is above the threshold.

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<sup>11</sup> “Major development” is defined at Annex 2 of the NPPF - ([National Planning Policy Framework - Annex 2: Glossary - Guidance - GOV.UK](https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary)) (<https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>)

<sup>12</sup> Park homes are single storey, detached dwellings that are often prefabricated and constructed off-site before being transported to their location. They are designed to be placed on designated pitches within park home sites, for which a pitch fee (ground rent) will be payable.

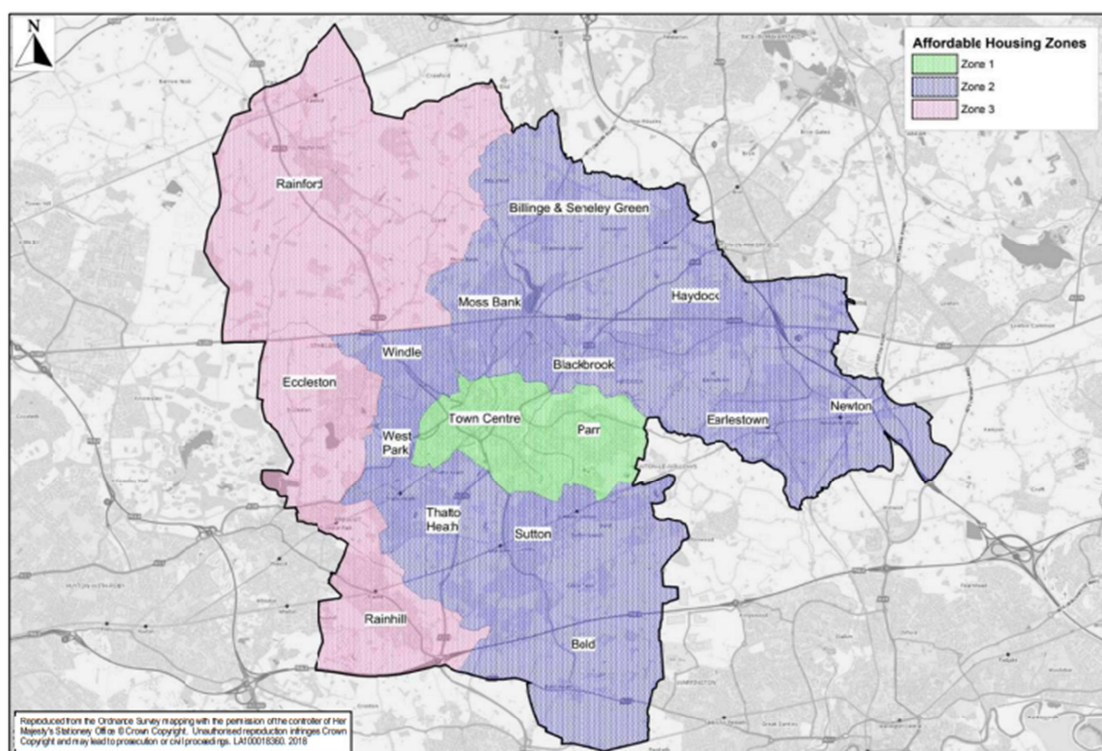
- 4.5 Proposals that, in the opinion of the Council seek to under-develop or split sites into smaller land parcels in order to avoid providing affordable housing on site, will be refused planning permission unless a proportionate number of affordable units are provided.
- 4.6 The following forms of development are typically not required to provide affordable housing:
- Residential institutions (that do not comprise self-contained dwellings) - Use Class C2.
  - Specialist or supported housing schemes provided and managed by the Local Authority or Registered Provider (that are not self-contained dwellings).
  - Hotels - Use Class C1.
  - Purpose built student accommodation permitted as non-permanent places of residence, for example university student accommodation and boarding schools / colleges.
  - Accommodation limited to holiday use through a planning condition.
  - Residential units converted under permitted development rights.
  - Houses of Multiple Occupation (HMOs)
  - Dwellings permitted because they are necessary for those employed in a specific business or industry to reside in, and that are subject to specific occupancy conditions.
- 4.7 Replacement single dwellings will not need to make provision, unless additional dwelling units above the thresholds are being created.
- 4.8 Extensions to existing dwellings will not need to make a contribution, unless separate units of accommodation with their own facilities, above the thresholds, are being created and this is not for use by a dependent relative of the occupants of the main dwelling.

## Housing Mix and Tenure

- 4.9 The 'St Helens Local Plan Economic Viability Report 2018', which formed part of the evidence base to support the Local Plan and considered the viability of the site allocations and policies contained in the plan, demonstrated that there are geographical disparities in viability, and this informed the zonal approach to affordable housing in the borough as set out in the Local Plan. Three affordable housing zones, that follow ward boundaries, are set out in the Local Plan, each

setting separate affordable housing requirements for both brownfield and greenfield sites.

- 4.10 Policy LPC02 of the Local Plan requires that least 30% of new dwellings provided on greenfield sites in Affordable Housing Zones 2 and 3 must fall within the definition of 'affordable housing'; or at least 10% of new dwellings provided on brownfield sites in Affordable Housing Zone 3 must fall within the definition of 'affordable housing'.



**Figure 1 – Figure 6.1 as taken from the Local Plan (Affordable Housing Zones)**

| Affordable Housing Zone | Areas include                                                                                                               | Affordable Housing Requirement                                                                                                         |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1                       | Town Centre, Parr Wards                                                                                                     | No affordable housing requirement due to viability constraints                                                                         |
| 2                       | Blackbrook, Bold, Earlestown, Haydock, Sutton, Thatto Heath, West Park, Billinge & Seneley Green, Moss Bank, Newton, Windle | <ul style="list-style-type: none"> <li>• 30% requirement on greenfield sites</li> <li>• 0% requirement on brownfield sites</li> </ul>  |
| 3                       | Eccleston, Rainford, Rainhill                                                                                               | <ul style="list-style-type: none"> <li>• 30% requirement on greenfield sites</li> <li>• 10% requirement on brownfield sites</li> </ul> |

**Figure 2 – Table 6.3 as taken from the Local Plan (Affordable Housing Zone Requirements)**

4.11 Part 3 of Policy LPC02 of the Local Plan states:

*“The types of affordable housing to be provided on any site must be informed by the latest evidence concerning need. Where an affordable housing requirement is triggered in line with paragraph 2 of this Policy:*

- a) at least 10% of the overall number of homes to be provided should be available for affordable home ownership (unless this would significantly prejudice the ability to meet the identified needs of specific groups); and*
- b) any remaining proportion of the affordable housing to be provided should be for affordable rented accommodation.”*

4.12 The Strategic Housing Market Assessment (SHMA) (2018) highlights that there is an annual need for 117 new affordable homes per year and recommends that most of this need relates to affordable and social rented properties. It is set out that providing some ‘affordable home ownership’ properties could potentially assist in getting some households out of the private rented sector – this could be achieved by signposting potential purchasers to schemes such as Help-to-Buy<sup>13</sup> or by encouraging developers to provide some form of equity support. If this could be achieved, it is recommended in the SHMA that it may be reasonable for up to 10% of homes to fall into the affordable home ownership category.

4.13 

4.13 The SHMA also identified that the greatest need within the market and low-cost home ownership sectors is for dwellings of 2 and 3 bedrooms; whilst within the affordable rented sector the greatest need is for dwellings of 1 or 2 bedrooms. It is acknowledged, however, that these are minimum sizes to meet the range of needs that are identified. Table 6.1 of the Local Plan summarises the range of sizes identified as being needed in the SHMA update that will guide the

|                             | 1-bed  | 2-bed  | 3-bed  | 4+ bed |
|-----------------------------|--------|--------|--------|--------|
| Market                      | 0-5%   | 25-30% | 50-55% | 15-20% |
| Low-cost home ownership     | 10-15% | 35-40% | 40-45% | 5-10%  |
| Affordable housing (rented) | 30-35% | 30-35% | 25-30% | 5-10%  |

Council’s assessment of planning applications.

**Figure 3 – Table 6.1 as taken from the Local Plan (Estimated Size of Homes Needed 2014-2037)**

<sup>13</sup> The Help-to-Buy scheme closed to new applicants in October 2022, however it was an available scheme when the SHMA was written.

- 4.14 However, housing mix, in terms of the size of properties and the tenure mix, will be discussed on a site-by-site basis and will be informed by the most up-to-date SHMA, any other evidence of need, and the latest definition of affordable housing set by the Government. Should an applicant deviate away from the Council's most up to date evidence base the Council will require evidence / justification to support this. The Council's vision is to create a balanced community with residential sites that display a variety of housing tenures, should this not be achieved applicants will be required to justify why, unless there is an overarching need for example through the provision of an extra care facility. The Council will consider the evidence of need, current levels of affordable housing in the area, the existing tenure profile and other demands on site. Such demands may include open space provision and infrastructure requirements. Applicants and developers are encouraged to seek early advice on the affordable housing requirements from the Council<sup>14</sup>, prior to submission of a planning application.
- 4.15 To ensure that a proportion of all homes available in the Borough will be suitable and / or can be adapted, without undue difficulty, for occupation by residents who are wheelchair users and to ensure that these homes will also be accessible to visitors with limited mobility, Policy LPC01 (Housing Mix) of the Local Plan requires that in new developments on a greenfield site of 25 or more dwellings, at least 20% of the new homes should be constructed to 'accessible and adaptable' standards, as contained in Part M4(2) of the Building Regulations, and that at least 5% of the new homes should be designed to the 'wheelchair user adaptable' dwellings standards set down in Part M4(3)(2)(a) of the Building Regulations.

## On-site Affordable Housing Provision

- 4.16 As set out at Paragraph 64 of the NPPF and Part 5 of Policy LPC02 of the Local Plan, where affordable housing provision is required, it is expected that the required provision will be provided on-site.
- 4.17 The number of dwellings to be provided as affordable housing will be calculated by rounding up to the nearest whole number. The affordable housing mix, as set out above, should provide at least 10% affordable home ownership, with the remainder being for affordable rent. The affordable housing provision applies to the total number of dwellings across the development; it does not only apply to the part of the development above the relevant threshold.
- 4.18 Affordable housing should generally be provided at the same time as open market housing on a site to ensure that there is no imbalance in the supply of

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<sup>14</sup> [Your guide to planning & building Control - St Helens Borough Council](https://www.sthelens.gov.uk/article/3481/Your-guide-to-planning-building-Control)  
(<https://www.sthelens.gov.uk/article/3481/Your-guide-to-planning-building-Control>)

affordable housing in the creation of new communities. The details and timeframes for the delivery of the affordable housing should form part of the Affordable Housing Statement / Affordable Housing Scheme.

- 4.19 Developments that seek to delay provision of affordable housing to the end of the development will not be considered favourably. Where infrastructure provision may be substantial, the Council may permit the sale of an agreed percentage of market homes before the sale or transfer of affordable homes with the remainder to be provided in tranches alongside the market housing, further information is set out in Para 8.10 Securing Affordable Housing Delivery.
- 4.20 However, no above ground works should commence until an affordable housing scheme has been approved and, where relevant, a contract entered into with a Registered Provider and a copy of the contract provided to the Council.
- 4.21 Adequate provisions will be made, for example through conditions and / or a Section 106 Agreement, to ensure that such housing is made available in perpetuity for occupation by persons who are in affordable housing need, or for any subsidy to be recycled to support affordable housing provision elsewhere

### Off-site Affordable Housing Provision and Financial Contributions in Lieu of On-site Provision

- 4.22 The Council expect to see the required affordable housing provision provided within the application site unless the applicant can demonstrate that either there are insufficient local needs existing to justify on-site provision including circumstances where it is not possible to transfer the affordable housing provision to a Registered Provider (and reasonable endeavours have been used to do so for a 18 month period) or there are overriding benefits by making alternative provision 'off-site', in which case a commuted sum in lieu of on-site provision will be required and secured in most cases via a Section 106 Agreement.
- 4.23 In order to demonstrate that there is an insufficient local need existing to justify on-site provision, in accordance with Policy LPC02 of the Local Plan, the applicant / developer must set out in an Affordable Housing Statement (or similar) the measures that they have undertaken to engage with a wide range of locally active Registered Providers in a timely, rigorous and effective manner. The applicant will be required to provide letters from at least three locally active Registered Providers that clearly show that they have legitimate reasons why they would not be willing or able to manage on-site affordable housing, as well

as discussions undertaken with the Council's Housing Team as to the need for affordable housing in the locality<sup>15</sup>.

- 4.24 The level of payment in the form of a commuted sum will be based on the difference between the open market value for a similar size and type of property in the same area; and the transfer price paid by the Registered Provider. When calculating the appropriate commuted sum, the mix, ratio and type of dwellings will also be taken into account as if the units were to be provided on site to ensure that this as far as possible accurately replicates the cost of provision on site<sup>16</sup>. The applicant will be expected to provide a calculation and evidence of how the commuted sum was derived based on an open market sales value for the type of properties with evidence to recent sales in the same housing market area. The phasing of financial contributions will be agreed on a site by site basis.
- 4.25 Off-site contributions in lieu of on-site provision will be ring-fenced for specific purposes. If the number of dwellings changes or the initial scheme becomes unviable, a new application will be required where affordable housing, amongst other issues, will be considered afresh.

## Affordable Housing Statements

- 4.26 An applicant / developer is encouraged to prepare and submit an Affordable Housing Statement to inform any pre-application discussion and will be required to submit a statement in support of any application, having regard to the contents of this SPD. The key issues to address are:
- Number of dwellings.
  - Dwelling types and sizes.
  - Tenure split – showing types and sizes.
  - Design standards.
  - Timing of affordable housing delivery.
  - Location and distribution.
  - Arrangements for transfer to and affordable housing provider.
  - Arrangements to ensure that such provision is affordable for future occupiers of any affordable rent housing.
  - The submission of a scheme that sets out a local lettings policy or is in compliance with the Council's Housing Allocation Scheme.

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<sup>15</sup> Contact details available at Section 9

<sup>16</sup> Table 6.1 of the Local Plan (Estimated Size of Homes Needed 2014-2037) (as detailed at Figure 3) should be the starting point for discussions relating calculating the appropriate commuted sum payment, or the most up-to-date information available.

- A marketing strategy detailing how these units will be marketed and publicised in the event that the affordable housing units include any discount market sale and/or shared ownership units.

## Viability

- 4.27 The provision of affordable housing will affect the value of land for residential development but will not generally render it uneconomic for residential development. The costs of delivering a workable, high-quality development should be anticipated and reflected in the price paid for land and not reduce the ability of a site to provide what is required under the planning obligation.
- 4.28 This is reflected in the PPG on viability<sup>17</sup> which states that the total cost of all relevant policy requirements including contributions towards affordable housing should be taken into account when defining benchmark land values.
- 4.29 Policy LPC02 of the Local Plan has been subject to viability assessment through the preparation of the plan, with a zonal approach taken to affordable housing within the borough. Accordingly, there will be a presumption that developments will include full and appropriate provision for affordable housing, where required, (in accordance with the policy) unless it can be robustly demonstrated otherwise.
- 4.30 This is consistent with the Government's guidance on viability which states that *'where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable'*.
- 4.31 On this basis, it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. Such circumstances could include, for example, where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.
- 4.32 In such instances, the onus is on the applicant / developer to demonstrate viability providing a full economic appraisal of the cost of development including returns from sale of housing, contribution to local infrastructure and services

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<sup>17</sup> [Viability - GOV.UK](https://www.gov.uk/guidance/viability) (<https://www.gov.uk/guidance/viability>)

and required profit margin. The appraisal should be presented on a residual land value basis and include a valuation of the site in its current use, not the purchase price or hope value, and should accompany the planning application or form part of the pre-application discussions.

- 4.33 In accordance with the PPG, where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the Local Plan; and the applicant should provide evidence of what has changed since then. Any viability assessment should reflect the government's recommended approach to defining key inputs as set out in PPG<sup>18</sup>. Where the Council requires independent advice to validate a viability appraisal, the cost will be borne by the applicant.
- 4.34 Where the Council is satisfied that viability would be jeopardised by full provision of affordable housing it will consider supporting external subsidy to enable full provision. Consideration will also be given to altering the mix including size and tenure in accordance with Policy LPC02 of the Local Plan. As a last resort the number of affordable dwellings sought will be reduced to make the development viable.
- 4.35 When the Council is satisfied that viability could be jeopardised by the full provision of affordable housing, and if the built completion of the site exceeds three years, then a Section 106 Agreement will be used to ensure an up-to-date viability assessment is submitted, which considers whether a proportion of affordable housing on the remaining units to be constructed would be viable. This would be assessed in accordance with paragraph 4.32 above.

## 5. Vacant Building Credit

- 5.1 To support the re-use of and provide an incentive for the development of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount (Paragraph 65 of the NPPF).
- 5.2 The PPG details that a financial credit, known as the 'vacant building credit' (VBC), equivalent to the existing gross floor space of any vacant buildings within the red line boundary of the application site brought back into any lawful use or demolished for re-development, should be deducted from the calculation of any affordable housing contributions sought from relevant development schemes. Where a vacant building has been abandoned<sup>19</sup>, the credit will not apply.

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<sup>18</sup> [Viability - GOV.UK](https://www.gov.uk/guidance/viability#standard-inputs) (<https://www.gov.uk/guidance/viability#standard-inputs>)

<sup>19</sup> The courts have held that, in deciding whether a use has been abandoned, account should be taken of all relevant circumstances, such as the period of non-use, the physical condition of the land or building, whether there had been any other use, and the owner's intentions as to whether to suspend the use or to cease it permanently.

- 5.3 In order to apply for the VBC seeking reduced affordable housing contribution, the following information will need to be provided by the applicant to demonstrate that the building is genuinely vacant:
- Evidence that any building within the red line application boundary is a 'vacant building'.
  - Evidence to show that every reasonable attempt has been made to secure an occupier through marketing over a minimum continuous period of 12 months.
  - The whole building must be vacant to apply for the VBC; and
  - Evidence that any building within the red line application boundary is not an 'abandoned building' or artificially made vacant solely for the purpose of redevelopment.
- 5.4 The example given in the PPG is as follows: *'...where a building with a gross floorspace of 8,000 square metre building is demolished as part of a proposed development with a gross floorspace of 10,000 square metres, any affordable housing contribution should be a fifth of what would normally be sought.'*
- 5.5 For wholly residential schemes, the total proposed gross internal area will be the area of all dwellings. Where flatted development is included within the development, the proposed gross internal area will include all communal and circulation areas. For mixed use schemes, the proposed gross internal area of the proposed residential elements will be included.
- 5.6 To determine whether the building is truly vacant the Council will consider the condition of the building and its suitability for occupancy, as well as the length of time the building has not been used. The Council will also take into account whether the building has been used for any other purposes.
- 5.7 Information on the existing Gross Internal Floor Area (GIFA) and the proposed GIFA should be provided with an application submitted. GIFA is the area of a building measured to the internal face of the perimeter walls at each floor level. The Royal Institution of Chartered Surveyors (RICS) Code of Measuring Practice will be used for the purposes of assessing VBC. However, floor space with headroom of less than 1.5m is excluded from the GIFA calculation.
- 5.8 The Council will determine on a case by case basis whether a building is vacant or abandoned. Outline planning applications may present challenges in quantifying whether the vacant building credit will be applicable as the actual number of dwelling or size of dwellings may be determined during Reserved

Matters applications. If the VBC is applicable to the proposed site, the amount of vacant floor space will inform the level of affordable housing provision.

- 5.9 An example showing the application of VBC is shown in **Appendix 2**.

## 6. Bold Forest Garden Suburb

- 6.1 Policy LPA11 (Bold Forest Garden Suburb) of the Local Plan sets out the requirements relating to the largest housing allocation identified in the Local Plan (Site Allocation 4HA). The Green Belt Review (2018) informed the allocation, with it being identified that land at Bold forms a major strategic opportunity to provide a wide range of new housing in an area that is close to some of the more deprived parts of the Borough, contributing to the balanced growth of the borough.
- 6.2 Policy LPA11 of the Local Plan sets out that the site has an indicative capacity of 2,988 dwellings, of which a minimum of 510 dwellings will be delivered during the plan period. Paragraphs a) and b) of the policy state:
- a) *At least 30% of homes to be delivered on site should fall within the definition of 'affordable housing' in accordance with Policy LPC02, with the affordable housing mix reflecting Policy LPC02, part 3), unless up-to-date and robust evidence indicates otherwise;*
  - b) *Provide an appropriate mix and standard of housing to meet local needs in accordance with policy LPC01.*
- 6.3 As part of the master planning process relating to the site, the Council has commissioned a Housing Market Demand Analysis (September 2024), which updates the analysis in the 2019 SHMA to take account of the latest data, including up-to-date information on housing costs and 2021 Census data. The report can be made available upon request.

## 7. Ensuring Quality Design and Integration

- 7.1 Securing good design is a key element of delivering sustainable development and a core objective of the NPPF. By 'fostering well-designed, beautiful and safe places', the NPPF emphasises how achieving 'beauty' in design should be a key objective. The NPPF is also clear that good design goes beyond aesthetic considerations and that policies and decisions need to '*create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.*'

- 7.2 St Helens Council's Design Guidance SPD<sup>20</sup> was adopted in April 2024 and developers must ensure that the principles of good design set out in the document are adhered to in their proposals for affordable housing. The Council supports the principles of good quality design in the development of all housing, including new affordable housing, to secure longer-term social and environmental sustainability. Applicants / developers are encouraged to provide affordable housing schemes that promote energy efficiency, and where practicable, renewable energy, to provide lower energy and running costs for future occupiers, especially in relation to heating, hot water, and electricity.
- 7.3 To help create mixed and inclusive communities, affordable dwellings should be evenly distributed throughout the site rather than being concentrated in a particular part of the site. This does not however preclude limited grouping of dwellings for functional or management purposes. Affordable housing should integrate fully with the market housing on a site in terms of style and quality and should be in keeping with the character of the area. This should therefore include a consistency of style, detailing and building materials. The Council will not accept affordable housing, which, either by its design or siting, is clearly distinct from the market housing.
- 7.4 In March 2015 the Government set out the nationally described space standards for new housing<sup>21</sup>. The guidelines set out the gross internal floor area for new dwellings at a defined level of occupancy as well as dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height. Whilst it is not a policy requirement of the Local Plan, the Council supports the use of this guidance and encourages developers to apply these as a minimum when designing new homes.

## 8. Securing Affordable Housing

### Legal Agreements

- 8.1 Planning obligations are used to make a development acceptable in planning terms. Legal agreements are the tool to secure planning obligations and are negotiated between local planning authorities and those with an interest in a piece of land (e.g. developers). Planning obligations can be secured either through a bilateral Section 106 Agreement<sup>22</sup> or through a 'Unilateral Undertaking' from a developer. Unilateral Undertakings are only signed by the

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<sup>20</sup> [Adopted plans and policies - St Helens Borough Council](https://www.sthelens.gov.uk/article/3775/Adopted-plans-and-policies) (<https://www.sthelens.gov.uk/article/3775/Adopted-plans-and-policies>)

<sup>21</sup> [Technical housing standards – nationally described space standard](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard_Final_Web_version.pdf) ([https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/524531/160519\\_Nationally\\_Described\\_Space\\_Standard\\_Final\\_Web\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard_Final_Web_version.pdf))

<sup>22</sup> Section 106 of The Town and Country Planning Act (TCPA) 1990 (as amended)

landowner(s) and any other parties with an interest in the land, and not by the Council. These unilateral obligations are most frequently used in planning appeal situations but can also be used in other circumstances.

- 8.2 The Council will generally expect affordable housing to be secured by a Section 106 Agreement, covering all aspects of the delivery of affordable housing on the application site. The Section 106 Agreement should be finalised and ready for completion prior to the determination of the application. The cost of the completion of the Section 106 Agreement will be borne by the applicant.
- 8.3 An estimate of the fee payable for this can be obtained from the Council's Legal and Governance Department. The fee will depend on the complexity of the agreement.
- 8.4 The Section 106 Agreement will include requirements relating to:
- Definition of affordable housing and affordable tenures.
  - The bed size, tenure mix and location of affordable housing.
  - Any local connection criteria (if appropriate).
  - Agreement with the Council on the Affordable Housing Plan.
  - Safeguarding use of homes as affordable dwellings for future eligible households.
  - The retention of obligations relating to the affordable dwellings.
  - Expectation to recycle any receipts or grant arising from the disposal of all or part of an affordable dwelling.
  - Mortgagee in Possession clauses and limitations on the occupation of the affordable housing.
  - An Affordable Housing Scheme to be submitted to the Local Planning Authority for approval which should include:
    - The phasing of delivery of the affordable housing units which is proportionately linked to the delivery of the Market Units;
    - The arrangements for the transfer of the affordable housing to an affordable housing provider or the management of the affordable housing;
    - The arrangements to ensure that such provision is affordable for both initial and subsequent occupiers of the affordable housing;
    - The occupancy criteria to be used for determining the identity of prospective and successive occupiers of the affordable housing, and the means by which such occupancy shall be enforced;

- A marketing strategy detailing how these units will be marketed in the event that the affordable housing units include any discount market sale and/or shared ownership units.

8.5 A model S106 agreement for First Homes is available at [GOV.UK](https://www.gov.uk/government/publications/first-homes-model-section-106-agreement-for-developer-contributions)<sup>23</sup>.

8.6 There may be circumstances, particularly with outline applications, where the details of affordable housing provision have not been finalised. The Section 106 Agreement will contain a requirement for the submission and approval of an Affordable Housing Scheme to meet a policy compliant amount of affordable housing for the development. The Affordable Housing Scheme would need to be submitted and approved prior to the commencement of the development. In the case of outline applications, it is recommended that this should be submitted as part of the reserved matters application.

8.7 The details to be provided in the Affordable Housing Scheme are:

- The phasing of delivery of the affordable housing units which is proportionately linked to the delivery of the Market Units;
- The arrangements for the transfer of the affordable housing to an affordable housing provider or the management of the affordable housing;
- The arrangements to ensure that such provision is affordable for both initial and subsequent occupiers of the affordable housing;
- The occupancy criteria to be used for determining the identity of prospective and successive occupiers of the affordable housing, and the means by which such occupancy shall be enforced;
- A marketing strategy detailing how these units will be marketed in the event that the affordable housing units include any discount market sale and/or shared ownership units.

8.8 Planning obligations secured by way of a Section 106 Agreement or Unilateral Undertaking are binding on the land and are therefore enforceable against all successors in title. They are registered as a local land charge and will remain on the register. They will, therefore, be revealed on local searches until the planning obligation has been fully complied with or the planning permission to which the Section 106 Agreement or Unilateral Undertaking relates has expired.

8.9 If the Council has evidence that a planning obligation is not being complied with, the Council will consider all options including enforcement to remedy the solution.

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<sup>23</sup> [First Homes: Model Section 106 Agreement \(for developer contributions\) - GOV.UK](https://www.gov.uk/government/publications/first-homes-model-section-106-agreement-for-developer-contributions)  
(<https://www.gov.uk/government/publications/first-homes-model-section-106-agreement-for-developer-contributions>)

## Securing Affordable Housing Delivery

- 8.10 The Council will normally include triggers in the legal agreement to ensure that the affordable housing is not delivered significantly in advance or later than the market housing. These may vary from site to site, but a guide would be:
- Not to allow the commencement of development / above ground development until a contract has been entered into with an Affordable Housing Provider / Registered Provider, where relevant, to deliver the affordable housing in accordance with an approved Affordable Housing Scheme.
  - Not to permit nor enable more than 50% of the open market units (or as otherwise agreed in writing between the Council and the parties) to be in occupation until the date upon which the parties or their successors in title have transferred the freehold interest in the affordable housing land to the agreed Affordable Housing / Registered Provider.
  - Not to permit nor enable more than 75% of the open market units to be in occupation until the date upon which the parties or their successors in title have completed the affordable housing units.
  - Unless otherwise agreed in writing with the Council, the Affordable Housing Units shall be occupied pursuant to the provisions of the Nomination Agreement.

## Maintaining Accommodation as Affordable Housing

- 8.11 In order to ensure that the need for affordable housing in the borough continues to be met in the future, it is considered that there should be provisions that either preserve the status of the affordable housing, replace it, or, if it is no longer used for affordable housing, that resources derived from it are recycled to replace the dwelling(s) that have been lost.
- 8.12 The Council will therefore require provisions in the Section 106 Agreement that:
- Keep the units within the definition of affordable housing; and
  - Require any purchaser (other than an occupier) to preserve the accommodation as affordable housing, or replace it within the borough, like for like; and
  - Require any purchaser to take on the obligations in the Nomination Agreement or enter into a replacement Nomination Agreement.

## Recycling of Receipts

- 8.13 There are a number of reasons why affordable housing dwellings may be lost, for example, a tenant's statutory acquisition of a rented dwelling, shared ownership staircasing to 100%, discharge of the charge on a shared-equity dwelling. In all cases the Council expects the dwelling to be replaced within the borough, or any receipts arising from the disposal of the dwelling to be recycled to provide further affordable housing in the borough, whenever possible.

## Nomination Agreements.

- 8.14 Providers of affordable housing will be required to enter into a Nomination Agreement with the Council, preferably at planning application stage. The Council will normally require 100% of nomination rights on all initial lettings / shared ownership sales and 75% of nomination rights thereafter.
- 8.15 Policy LPC02 of the Local Plan is intended to meet identified local housing need. It is therefore important that households with an established local connection with the borough, as defined in the Council's Housing Allocation Scheme, are nominated to social and affordable rented housing provided through the Local Plan. It is encouraged that up to 25% of affordable rented homes on new sites are offered to those with local connections. Rented vacancies will be advertised through the 'Under One Roof' choice based lettings system.

## 9. Further Information and Contacts

To discuss development proposals for specific sites, contact the Council's Development Control team:

- Email: [planning@sthelens.gov.uk](mailto:planning@sthelens.gov.uk)
- Telephone: 01744 676219

To discuss planning policies and their influence on development proposals for specific sites, contact the Council's Planning Policy team:

- Email: [planningpolicy@sthelens.gov.uk](mailto:planningpolicy@sthelens.gov.uk)
- Telephone: 01744 676190

# Appendix 1: St Helens Borough Local Plan - Policy

## LPC02: Affordable Housing

### **Policy LPC02: Affordable Housing**

1. The Council will support the delivery of affordable housing by encouraging new provision by Registered Providers of Social Housing.
2. Proposals for new open market housing developments of 10 units or more, or when the number of units is not known, sites of 0.5ha or more, will be required to contribute as follows:
  - i) at least 30% of new dwellings provided on greenfield sites in Affordable Housing Zones 2 and 3 must fall within the definition of 'affordable housing'; or
  - ii) at least 10% of new dwellings provided on brownfield sites in Affordable Housing Zone 3 must fall within the definition of 'affordable housing'.
3. The types of affordable housing to be provided on any site must be informed by the latest evidence concerning need. Where an affordable housing requirement is triggered in line with paragraph 2 of this Policy:
  - c) at least 10% of the overall number of homes to be provided should be available for affordable home ownership (unless this would significantly prejudice the ability to meet the identified needs of specific groups); and
  - d) any remaining proportion of the affordable housing to be provided should be for affordable rented accommodation.
4. The provision of affordable housing may vary on a site-by-site basis taking into account evidence of local need and where appropriate, the economic viability of the development. Any relaxation of the affordable housing requirements set out in paragraphs 2 or 3 of this Policy will only be supported if:
  - a) it is fully justified by an independent site-specific viability appraisal; and
  - b) the benefits of proceeding with the development outweigh the failure to provide the full affordable housing contribution.
5. Any affordable housing provision must be within the application site unless the applicant has demonstrated either that:
  - a) insufficient local need exists to justify on-site provision; or

b) there would be overriding benefits by making alternative provision 'off site' in which case a commuted sum in lieu of on-site provision will be required. The level of any such commuted sum should be in accordance with guidance set out in the Affordable Housing Supplementary Planning Document.

6. Where affordable housing is to be provided on site, adequate provisions must be made, for example through conditions and / or a Section 106 agreement, to ensure that such housing is made available in perpetuity for occupation by persons who are in affordable housing need, or for any subsidy to be recycled to support affordable housing provision elsewhere.

## Appendix 2: Example showing application of Vacant Building Credit

### **Example – Affordable housing requirement on a site with a vacant building**

Residential development is proposed on a site which contains a 500sqm vacant warehouse. The proposal is to demolish the warehouse and develop 45 dwellings which would have a total combined gross floorspace of 3,375sqm.

The site is within affordable housing zone 3 and therefore, in accordance with Policy LPC02 of the local plan, there is a 10% affordable housing requirement for brownfield sites.

#### **Proposal**

- 45 dwellings proposed @ 75sqm = total floorspace of 3,375sqm
- Affordable housing requirement of 10% = 5 dwellings (rounded up from 4.5)

#### **VBC Calculation**

##### **Formula:**

1. Difference between proposed floorspace and existing floorspace
2. Divided by proposed floorspace
3. Multiplied by affordable housing requirement

##### **Worked example:**

$3,375\text{sqm (proposed)} - 500\text{sqm (existing)} = 2,875\text{sqm}$

$2,875\text{sqm (difference)} / 3,375\text{sqm (proposed)} = 0.85$

$0.85 \times 10 \text{ (affordable housing requirement)} = 8.5\%$

$8.5\% \times 45 \text{ (no. of proposed dwellings)} = 4 \text{ affordable dwellings}$   
(rounded up from 3.8)

The affordable housing requirement if the building is not demolished is therefore 8.5% (4 dwellings). If the building is demolished, the standard affordable requirement is 10% (5 dwellings).

## Appendix 3: Resources and Further Reading

### National Policy, Guidance and Strategies

- National Planning Policy Framework
- Planning Practice Guidance
- Homes England Strategic Plan 2023-28

### Sub-Regional Policy, Guidance and Strategies

- Liverpool City Region Corporate Plan
- Liverpool City Region Housing Strategy
- Liverpool City Region Housing Investment Strategy
- Liverpool City Region Spatial Development Strategy

### Local Policy, Guidance and Strategies

- St Helens Borough Local Plan up to 2037 (July 2022)
- Developer Contributions SPD (April 2024)
- Our Borough Strategy 2021-2030
- St Helens Borough Housing Strategy (2022-27)
- St Helens Strategic Market Assessment Update (January 2019)
- Mid Mersey Strategic Housing Market Assessment (January 2016)
- St Helens Local Plan Economic Viability Assessment Update (August 2021)
- St Helens Local Plan Economic Viability Assessment (December 2018)
- St Helens Strategic Housing Land Availability Assessment 2024 Update
- Mid Mersey Strategic Housing Market Assessment (January 2016)