



St Helen's Local Plan Examination

Lovell Partnerships Ltd's Response to Matter 2 - Housing and Employment Needs and Requirements

Land at Chapel Lane

On behalf of Lovell Partnerships Ltd.
May 2021

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1. INTRODUCTION

- 1.1 This Hearing Statement has been prepared by Asteer Planning on behalf of Lovell Partnerships Limited ('Lovell') in relation to **Matter 2 - Housing and Employment Needs and Requirements**. Lovell are working closely with the landowners (previously promoting the site) and have an agreement in place to promote the land at Chapel Lane, Sutton Manor ('the site') which is proposed to be removed from the Green Belt and allocated as a safeguarded site for housing allocation (Site 6HS) in the Local Plan¹.
- 1.2 Lovell is proposing a high quality, sustainable residential development for 100% affordable housing on the site, delivering 150 affordable homes early in the plan period through its joint venture partnership (Lovell Together) with Together Housing Group, a Registered Social Landlord. Lovell – Together Corporate Joint Venture LLP is an existing special purpose vehicle under which this site would be delivered. Together Housing Group are a Homes England Strategic partner and have an existing £53m of Homes England grant allocation secured to give greater certainty on delivery.
- 1.3 It is proposed that the site will deliver 50% affordable rent and 50% shared ownership using existing grant funding. As a consequence of the funding, the site is highly deliverable and would make a significant positive contribution towards meeting both affordable housing and overall housing needs early in the Plan period. Lovell therefore seek a modification of Policy LPA05 (Meeting St.Helens Borough's Housing Needs) and Policy LPA06 (Safeguarded Land) to convert the safeguarded site allocation to a full allocation². This would return the site to the status it held in the draft development plan documents as recently as 2017 as set out in the previous representations made at Preferred Options stage.
- 1.4 Matter 2 of the Inspectors' Matters, Issues and Questions ('MIQs') explores the timeframe of the Local Plan and whether the amount of housing and employment land proposed in the Local Plan is appropriate to meet the needs of the area up to its end date.
- 1.5 Several previous representations relating to the site have been made by various parties throughout the Local Plan preparation process. This Statement responds directly to the Inspectors' MIQs, however, it should be read in conjunction with those previous representations. Where relevant, the comments made are assessed against the tests of soundness established by the National Planning Policy Framework ('NPPF') and the National Planning Practice Guidance ('PPG').

¹ Policy LPA06: Safeguarded Land

² i.e. remove the site from Policy LPA06 as a safeguarded site and insert the site into Policy LPA05 as a housing allocation.

1.6 Separate representations are being submitted in respect of the following matters and should be read in conjunction with this Statement:

- Matter 1 – Introduction to the Hearings, Legal Compliance, Procedural, Requirements, and the Duty to Cooperate;
- Matter 3 – Spatial Strategy and Strategic Policies;
- Matter 4 - Allocations, Safeguarded Land and Green Belt Boundaries: Bold, Eccleston, Sutton Manor, Thatto Heath and St Helens Core Area;
- Matter 5 – Housing Land Supply; and,
- Matter 7 - Specific Housing Needs and Standards.

2. LOVELL'S RESPONSE TO MATTER 2

- 2.1 This section of this statement sets out the relevant Matter 2 issues and questions within the Inspectors' MIQs to which Lovell wishes to provide a response, including identifying elements/issues that render the plan unsound in the context of NPPF paragraph 35, and how these should be resolved to make the plan sound.

Issue 1: The Local Plan Timeframe

1. Are there any comments on the alternative end dates of 2035 (submission) and 2037 (possible MM)?

- 2.2 NPPF paragraph 22 requires that strategic policies should look ahead over a minimum 15-year period from adoption and that Local Authorities should be planning for the full plan period.
- 2.3 The submitted plan has an end date of 2035 and adoption is not likely until late 2021 at the earliest. Therefore a 15-year period from adoption would not be achieved. In response to the Inspectors' preliminary questions, the Council agreed that a Main Modification ('MM') could be proposed to extend the Plan period to 2037.
- 2.4 The submitted plan is, without an extension to the plan period, not consistent with national policy, and not positively prepared. Therefore Lovell strongly supports the proposed MM to extend the Plan period to 2037 as this is required to make the plan consistent with national policy and would enable a sufficient time period to respond to long-term requirements and opportunities.
- 2.5 The extended period has a direct consequence for allocations to meet the Council's housing need figure, for the purposes of NPPF paragraphs 35a, 35c and 35d, incorporating 11b, 16b, 17, 20a, 31, 59, 60, 65 and 67. The Council must ensure that further additional suitable sites such as the Chapel Lane site are identified and allocated for housing to meet the Borough's increased housing requirement over an increased plan timeframe.
- 2.6 The Council has already acknowledged through its own evidence base³ that exceptional circumstances exist to necessitate Green Belt release for the purposes of NPPF paragraph 136. Within that strategic context, the site is considered suitable for Green Belt release, reflected in its decision to propose allocation of the site at the Preferred Options stage.
- 2.7 The Council still proposes the removal of the site from the Green Belt as a safeguarded site for future housing needs in the Submission Draft Local Plan. By contrast, several other Green Belt sites previously proposed for allocation or safeguarding in the Preferred Options plan have

³ St Helen's Green Belt Review 'A Balanced Plan for a Better Future', December 2018, Page 8

been removed altogether. As such, whether or not the plan period is extended, the Chapel Lane site is already proposed for removal from the Green Belt to meet future needs. Its allocation for housing now would not necessitate any further amendments to the Green Belt boundary in this location.

2.8 Furthermore, the ownership blue line for the site also includes:

- Approximately 2.29 hectares of woodland which was previously included within the site assessed by the Council as part of its 2016 and 2018 Green Belt Reviews. This woodland is under the control of Lovell and is proposed to remain in the Green Belt; and,
- Approximately 1.60 hectares of land to the south of Pendlebury Brook which will also remain in the Green Belt but will provide compensatory improvements including managed public access and to provide landscape, visual amenity and biodiversity enhancements in the context of NPPF Paragraph 141 . Further details of this are set out in the detailed Development Statement provided in Lovell's Hearing Statement for Matter 4.

2. Are there any comments on the implications of extending the period in such a way, particularly for the housing and employment land requirement, taking into account the Council's comments?

2.9 In its January 2021 response (Document ref: SHBC001) to the Inspectors' Preliminary Matters and Issues⁴ (PMIs), the Council set out the implications for the overall housing requirement of extending the plan period to 2037. The Council states that the overall housing requirement across the plan period would be increased by 972 units (proposed 486 annual requirement x 2 additional years). The updated housing requirement from 2016- 2037 would be 10,206 units (currently 9,234 units) and the updated residual requirement from 1 April 2020 – 31 March 2037 would be 7778 units (currently 6806 units).

2.10 In the same response, the Council claims that this additional requirement can be met by a total supply of 8,384 units, (increased from the 7,745 units under a 2020-2035 Plan period) because extending the plan period to 2037 would include increased supply from proposed allocations 2 HA, 4 HA, 5 HA, 6 HA and 10 HA, forecast to be under construction in years 2035/36 and 2036/37 and would also include an additional 186 units from the windfall / small sites allowance.

2.11 The Council contends that the additional need for 972 units would be met by those of the 10 allocated housing sites which would still be under construction in 2035-37 (See SHBC001 – PQ25). However, the Council's claimed trajectory will not be delivered during either the first 5

⁴ Preliminary Matters and Issues for the Examination, including some initial questions and comments (December 2020)

years of the plan period, or the plan period as a whole. This is explained in Lovell's Hearing Statement for Matter 5.

- 2.12 Additional suitable housing sites must therefore be allocated. The Chapel Lane site is the best such example, as a former draft housing allocation and a site proposed for Green Belt removal in any event and safeguarded allocation. This is the only way to ensure that enough housing will be delivered in the Borough, and particularly affordable housing as St Helens is undoubtedly an area of acute affordable housing needs⁵.
- 2.13 Such an allocation would be directly consistent with NPPF paragraph 136 which states that once the general extent of a Green Belt has been established, it should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans having regard to their intended permanence in the long term, so they can endure beyond the plan period.

3. Are the different base dates for employment land and housing requirements justified?

- 2.14 The Plan's title currently states "2020-2035" (front cover). Policy LPA02 also has a Plan period of 1 April 2020 to 31 March 2035. The Glossary refers to the same period.
- 2.15 The base dates for the employment land and housing requirements are different.
- 2.16 Policy LPA04 (employment) and its explanation refer to a base-dates of both 2012 and 2018, whereas Policy LPA05 (housing) refers to a base date of 1 April 2016. In its response to the Inspectors' preliminary questions, the Council confirmed that the base date for the housing requirement is 2016 and the base date for the employment land requirement is 2012.
- 2.17 Lovell is not promoting employment development. Lovell's response to Matter 4 will however address the relationship between housing and employment provision. Different base dates would need to be robustly justified by the Council.

Comments on Soundness in respect of Issue 1

- 2.18 The Plan as submitted is not sound for the purposes of NPPF paragraph 35 as it is:
- **not positively prepared** – as it will not meet the Borough's objectively assessed needs without a 15 year period from adoption;
 - **not justified** – as retaining a plan period to only 2035 is not an appropriate strategy;
 - **not effective** – as the Council's claimed trajectory from its proposed allocations and other sources of supply will not be delivered during the plan period, particularly with regards to

⁵ Tetlow King Affordable Housing Statement, April 2021

the first 5 years. St Helen's acute affordable housing needs and the very likely under-delivery of affordable housing requires a very strong response.

- **not consistent with national policy** – as the NPPF requires that strategic policies should look ahead over a minimum 15-year period from adoption and that Local Authorities should be planning for the full plan period (NPPF 22, and associated policies NPPF 11b, NPPF 20, 59-60 et al).

2.19 To make the plan sound in this regard, SHMBC should:

- I) Extend the plan period to at least 2037 through a Main Modification; and,
- II) Include a more appropriate mix of sites (brownfield and greenfield sites across a range of sizes and locations) as housing allocations. They should prioritise proposed safeguarded sites such as the Chapel Lane site which the Council has already demonstrated is suitable for Green Belt release.

2.20 This will enable the Council to meet its housing requirement and in particular its affordable housing need.

2.21 The Chapel Lane site is a sustainable site that is able to deliver 100% affordable housing early in the plan period.

Issue 2: Housing Need and Requirement

5. Do the circumstances, particularly relating to economic growth, support the requirement for housing of 486 dpa as an uplift on the LHN figure?

2.22 Policy LPA05 (Meeting St. Helens Borough's Housing Needs) of the emerging Local Plan proposes that a minimum of 9,234 dwellings be delivered from 1 April 2016 until 31 March 2035, at an average of at least 486 units per annum.

2.23 PPG⁶ makes clear that where a strategic policy-making authority can show that an alternative approach identifies a need higher than using the standard method, and that it adequately reflects current and future demographic trends and market signals, the approach can be considered sound as it will have exceeded the minimum starting point.

2.24 Whilst Lovell has not itself undertaken a detailed analysis and critique of the overall housing requirement, it is understood that a number of other Local Plan examination participants will issue submissions to this effect.

2.25 The core policy point is straightforward – there is a need to significantly boost the supply of housing under NPPF paragraph 59. PPG⁷ states that the Government is committed to ensuring

⁶ Ref: 2a-010190220

⁷ Ref: 2a-010-20201216

that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area and there will therefore be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.

- 2.26 NPPF paragraph 11b's presumption in favour of sustainable development makes clear that: "For plan-making this means that plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change; and strategic policies should, as a minimum, provide for objectively assessed needs for housing.
- 2.27 The Council's decision to plan for just above the minimum requirement prescribed by the standard method presents a serious risk that the Local Plan will under-deliver on its housing requirements and that that Housing Delivery Test will not be passed, particularly in the early years following adoption of the plan. This is particularly likely when one looks more closely at the details of the proposed allocations and other sources of claimed supply which are proposed to deliver housing, as set out in Avison Young's Housing Land Supply Report which accompanies Lovell's Hearing Statement for Matter 5.
- 2.28 That is simply in relation to the overall housing requirement.
- 2.29 The risk of under-delivery of housing is very significant indeed, as set out in Lovell's response to question 6 below.
- 2.30 The need for affordable housing in particular is acute. It demands a positive and comprehensive response now. This response must include the allocation of available and deliverable sites that will provide affordable housing, especially 100%, such as the Chapel Lane site.
- 2.31 This applies with particular force in the most deprived areas such as Bold ward which has some of the most deprived areas in the country.
- 2.32 Further details on the deliverability of the Chapel Lane site, including a detailed Development Statement are provided in Lovell's Hearing Statement for Matter 4.

6. Should the housing requirement be further increased to take into account economic growth aspirations, choice and competition in the housing market and affordable housing need?

- 2.33 To achieve both its economic growth aspirations and to ensure its housing needs are met, it is appropriate for St Helens to plan for a higher level of housing need i.e. a greater uplift on the standard method than is currently proposed. This is particularly important in the context of its acute and overbearing affordable housing need, the extent of which is not sufficiently highlighted or addressed in the Submission Local Plan or its evidence base.

- 2.34 On behalf of Lovell, Tetlow King has prepared an Affordable Housing Statement ("Tetlow King Statement") (April 2021), contained at **Appendix I**.
- 2.35 The Tetlow King Statement explains that there have been a range of assessments of affordable housing need in St. Helens in recent years. The most relevant is the Strategic Housing Market Assessment (SHMA) Update in January 2019. The SHMA calculated an overall need for affordable housing of 117 units per annum over the period to 2033 in St Helens for subsidised housing at a cost below that to access the private rented sector (i.e. for households unable to access any form of market housing without some form of subsidy).⁸
- 2.36 The plan period (as submitted) extends to 2035, and this would give a total plan period requirement of 1,755 (15,117).
- 2.37 The Tetlow King Statement demonstrates that, taking into account backlog needs accrued since 2016, there is a clear need for at least 176 net affordable homes per annum for the five-year period between 2020/21 and 2024/25 (Total 880 units).⁹
- 2.38 Since 2005/06 there have been a total of 7,707 overall housing completions and 1,680 gross affordable housing completions, equivalent to an average of just 112 gross affordable dwellings per annum.
- 2.39 The number of affordable homes compared with overall completions is, at an average of 21.8% well below the Core Strategy's target of 30%.¹⁰
- 2.40 The Tetlow King Statement concludes that in light of St. Helens' poor record of affordable housing delivery coupled with acute affordability issues there can be no doubt that without a significant step change in the delivery of affordable housing, the situation for those in affordable housing need in St. Helens will only worsen.
- 2.41 Such a step change can only be achieved by delivering more affordable housing on sites in sustainable locations such as the Chapel Lane site. This is particularly important in parts of the Borough such as the Bold ward (where the site is located) which includes some of the most deprived areas, being within the most 1% deprived nationally¹¹. As demonstrated in Lovell's response to Matter 5, Lovell can deliver 150 affordable homes early in the plan period through its joint venture partnership (Lovell Together) with Together Housing Group, a Registered Social Landlord.
- 2.42 Tetlow King have also undertaken a more detailed analysis of affordable housing supply following the publication of the Council's most recent Housing Trajectory for the period 2020 – 2035 (at 31.03.2020) which includes an update to all 2017 SHLAA sites and any new sites

⁸ Tetlow King Report para 4.2

⁹ Tetlow King Report para. 4.14

¹⁰ Tetlow King Report para 4.7

¹¹ St Helens Council's Indices of Deprivation 2019 Summary Report

with planning permission to establish the likely level of affordable housing to be delivered from each site and identifies a significant shortfall in likely affordable housing delivery.

- 2.43 This stage of work is summarised in detail in Lovell's Hearing Statement for Matter 5 which should be read in conjunction with this Statement. However, in summary, our analysis of both the Council's overall supply and Tetlow King's analysis of affordable housing supply identifies a huge deficiency in the supply of affordable homes to be delivered during the Plan period.
- 2.44 The Council has no robust strategy for addressing affordable housing needs despite this acute need. Extending the plan period by 2 years to 2037 will only serve to further increase the figures of the number of affordable homes required set out above under Q2.
- 2.45 Regardless of whether the plan period is extended, the only appropriate solution to address this issue of lack of affordable supply efficiently is to substantially increase the overall housing requirement and to allocate additional sites that are deliverable and can deliver affordable housing.
- 2.46 In the context of the affordable housing crisis, both nationally and in St Helens, the Chapel Lane site offers a unique opportunity to deliver 100% affordable housing (150 dwellings) in the first 5 years of the plan period. It is demonstrably deliverable and should be allocated for housing now.

7. Is the change in the housing requirement during the Plan preparation process justified?

- 2.47 Within the Preferred Options Local Plan (December 2016), a housing requirement of 570 dwellings per annum was proposed which reflected the adopted Core Strategy figure based on ambitious, economic-led growth aspirations for the Borough. The standard method offers a minimum starting point for determining housing need rather than an absolute figure. The proposed housing requirement of 486 dwellings per annum is a significant reduction on the figure previously proposed and represents a very limited uplift on the standard method figure.
- 2.48 This modest and unambitious housing need figure will compromise the Council's economic growth objectives and its housing delivery across the plan period, particularly when considered in the context of the size, characteristics and distribution of the specific sites identified to meet this need
- 2.49 Furthermore, as set out in Lovell's response to question 5 above, the current housing requirement, the identified supply of sites, and the lack of a strategy to deal specifically with acute affordable housing needs, present a major risk that the plan will fall far short of meeting the Borough's housing needs.

- 2.50 The Council is now (compared to the approach to allocations in the Preferred Option Local Plan) relying on several large brownfield allocations to deliver a substantial proportion of its housing requirement over the plan period.
- 2.51 There is a substantial risk that affordable housing at levels far below the policy requirement, or even no affordable housing, will be delivered from some of the allocation sites based on viability arguments. Within the Council's Economic Viability Assessment (VIA011), as set out at para 6.62, the three brownfield allocations (6HA, 9HA and 10HA) were tested with no affordable provision and it was concluded that they would be viable. However if education and further S106 contributions are required then there may need to be some adjustments of the overall requirements in relation to 6HA and 9HA where the surplus would not quite be sufficient to cover all potential planning obligation requirements. This suggests that not only will these brownfield allocations deliver no affordable housing, they may still face viability issues, thus threatening their overall delivery or the delivery of infrastructure improvements.
- 2.52 VIA001 also states at para 6.6.4 that testing shows that only 50% of the greenfield housing allocations (1HA, 4HA and 7HA) are sufficiently financially viable to support 30% affordable housing provision together with requirements in relation M4 (2) and (3a) and 10% renewables. In these cases, if education contributions or further S106 contributions are required for 4HA and 7HA there may need to be some flexibility in relation to the hierarchy of planning contributions.
- 2.53 The results for 2HA (Florida Farm), 5HA (Gartons Lane) and 8HA (Higher Lane) show more limited surpluses. This analysis suggests potential viability concerns with the greenfield sites which could result in either reduced affordable housing provision or a reduction in other contributions sought.
- 2.54 In addition, Vacant Building Credit (VBC), which was introduced by the Government to bring back into use previously developed sites containing vacant buildings, can be utilised to reduce / remove affordable housing contributions. Several of the Council's proposed housing allocations are brownfield / partially brownfield sites (3HA, 6HA, 7HA, 9HA, 10HA) and therefore may contain existing buildings that would benefit from VBC which would impact affordable housing delivery. As a result, more viable sites should be allocated to ensure that the affordable housing need is met.
- 2.55 Furthermore, the Chapel Lane site is already proposed for release from the Green Belt to meet future needs, thus this additional requirement should be met through such sites which the Council has acknowledged are wholly suitable for Green Belt release.
- 2.56 Further details on the deliverability of the Chapel Lane site, including a detailed Development Statement are provided in Lovell's Hearing Statement for Matter 4.

Comments on Soundness in respect of Issue 3

2.57 When considering the tests of soundness set out in NPPF Paragraph 35 in the context of Issue 2 of Matter 2, the Plan as submitted is not sound as it is **not justified and not effective**, because:

- The Council's decision to plan for just above the minimum requirement prescribed by the standard method presents a serious risk that the Local Plan will under-deliver on its housing requirements and that the Housing Delivery Test will not be passed, particularly in the early years following adoption of the plan because the Council's claimed trajectory from its proposed allocations and other sources of supply will not be delivered during the plan period, particularly with regards to the first 5 years; and,
- Furthermore, the very likely under-delivery of affordable housing is even more stark and requires a very strong response to tackle the affordability problems in the Borough as whole and particularly in the most deprived parts, including those within the Bold ward, where the Chapel Lane site is located.

2.58 In order to make the plan sound in this regard, the Council should:

- I) Substantially increase the overall housing requirement for the Borough; and,
- II) Allocate additional deliverable sites, prioritising those which can deliver substantial affordable housing. The Chapel Lane site is capable of delivering 100% affordable housing (50:50 delivery of affordable rent and shared ownership) in the first 5 years of the Plan period. It should be allocated now.

Issue 4: Alignment between housing and employment requirements

29. Is there sufficient evidence to indicate a clear alignment between housing and employment land requirements, particularly given the different base dates referred to above?

2.59 It is important that there is a clear alignment within the Local Plan between both housing and employment land requirements and specific allocations and sites proposed to meet these requirements.

2.60 NPPF Paragraph 104 states that: *"Planning policies should: a) support an appropriate mix of uses across an area, and within larger scale sites, to minimise the number and length of journeys needed for employment, shopping, leisure, education and other activities..."*

2.61 Analysis of the Chapel Lane site in relation to the nearest proposed employment sites is provided in Lovell's Hearing Statement for Matter 4, which should be read in conjunction with this Statement.

APPENDIX I

Tetlow King's Affordable Housing Statement (April 2021)

Affordable Housing Statement

Land off Chapel Lane, St Helens

Affordable Housing Statement

Land off Chapel Lane, St Helens

Lovell Partnerships Ltd

April 2021

OUR REF: M20/1201-01.RPT

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Executive Summary

- i. St Helens is undoubtedly an area of acute affordable housing needs. Evidence presented by Tetlow King Planning demonstrates that affordable housing delivery is failing and warrants the identification and allocation of sufficiently large enough sites to provide a high level of affordable housing.
- ii. The Development Plan for St Helens is the St Helens Local Plan Core Strategy (2012) which sets a Borough-wide target of at least 30% of the total capacity of the new residential development.
- iii. The plan under examination is the Emerging St Helens Borough Council Submission Draft (January 2019). The Council issued its Schedule of Changes in October 2020 and the Inspectors issued their Preliminary Views, Initial Comments and Questions in December 2020. Under Matter 7 one of issues likely to be discussed is the justification for affordable housing targets. The Inspector has questioned whether the emerging policy (Policy LPC02) is justified and consistent with national policy.
- iv. Other relevant considerations are the National Planning Policy Framework (NPPF) (2019), the Planning Practice Guidance, and a range of corporate documents produced by the Council.
- v. There are a wide range of St Helens Council documents that clearly highlight the need for more affordable housing within the authority area to address the existing housing issues within St Helens. The delivery of affordable homes is a clear long-standing corporate priority of the Council.
- vi. The most recent assessment of affordable housing needs across the HMA is contained within the St Helens Strategic Housing Market Assessment (2019). This identifies an annual need for 117 net affordable homes in St Helens.
- vii. In St Helens across the 4-year period between 2016/17 (the base date of the SHMA) and 2019/20, there is a shortfall of at least --293 affordable units when losses through the Right to Buy are taken into account.
- viii. Analysis of the Council's planning records demonstrates that just 18 affordable dwellings were approved in Bold ward since 2015, significantly below the 30% sought by the Core Strategy.

- ix. Market signals indicate that:
 - a. At 1 April 2020 there were a total of 6,444 households on the St Helens Housing Register according to MHCLG data. This represents a 26% increase since the previous year's figure of 5,089. This is equivalent to 26 households joining the register every week.
 - b. The recent data available is MHCLG's 'initial assessments of statutory homelessness duties owed' which showed that for the period up from April 2019 to March 2020, there were 869 households owed a duty. The same statistics show that, a rise compared to the previous period of 20% increase in homelessness just a one-year period. These are real people, in real need, now.
 - c. ONS data illustrates that average house prices in both St Helens and Bold ward have increased considerably since March 1996. Housing prices now stand at their highest level ever, and prices in Bold ward are now higher than the average for the Borough.
 - d. St Helens is now ranked as the 26th most deprived local authority in England out of 317. Its relative position has deteriorated since the 2015 Index of Deprivation where St Helens was ranked as the 36th most deprived area (out of then 326 authorities).
 - e. The Bold ward (including the site) includes some of the most deprived areas nationally, being within the most 1% deprived wards in England. This only serves to demonstrate the urgent need for additional affordable housing, to help encourage the town and the ward out of deprivation.
- x. The indicators all indicate a worsening trend in affordability in St Helens as a result of which a step change in affordable housing delivery is required to address identified needs and begin to address the significant shortfall in delivery compared to objectively assessed affordable housing needs.
- xi. In light of the Council's past performance, the level of identified need and the worsening affordable housing indicators there is no doubt that suitable sites such as this are absolutely necessary to address the affordable housing needs of St Helens.

Introduction

Section 1

- 1.1 **Tetlow King Planning** are instructed by **Lovell Partnerships Ltd** to prepare an Affordable Housing Statement in support of their proposals for land off Chapel Lane, St Helens.
- 1.2 Lovell would bring forward this development through a Joint Venture with the Together Housing group. Lovell-Together Corporate Joint Venture LLP is an existing special purpose vehicle under which this site would be delivered. Lovell-Together have a number of existing projects across the northwest including a strategic masterplan for 1,000 homes in Pendleton, Salford (a planning application has been submitted for the first phase).
- 1.3 Together Housing Group have an ambition to deliver over 3,000 new mixed tenure and affordable homes between 2020-2025, with a focussed growth plan for the M62 and M56 corridor.
- 1.4 Together Housing Group are a Homes England Strategic partner and have an existing £53m of Homes England grant allocation secured to give greater certainty on delivery.
- 1.5 This site is proposed to be delivered as a **100% affordable scheme**, with 50% affordable rent and 50% shared ownership using existing grant funding. As a consequence of the funding, the site is considered to be highly deliverable.
- 1.6 This Statement includes an assessment of relevant Development Plan policies, other material considerations and other guidance relevant to the site and the proposed development. It also defines the affordable housing needs that would be met by the proposed development, analysis of the past delivery rate of affordable housing in St Helens Metropolitan Borough and an assessment of affordability indicators.
- 1.7 This report comprises the following five further sections:
 - Section 2 highlights the National Housing Crisis and extent of the National Shortfall;
 - Section 3 defines the planning policy framework in the form of the Development Plan and other material considerations;

- Section 4 addresses the need for affordable housing in St Helens and includes an assessment of the Council's past delivery record compared to identified needs; and
- Section 5 provides an assessment of affordability indicators within St Helens.
- Section 6 concludes that there is an urgent need for more affordable housing in the Borough and Bold ward.

The National Housing Crisis and Extent of the National Shortfall

Section 2

The National Housing Crisis

- 2.1 There is incontrovertible evidence that there is a national housing crisis in the UK affecting many millions of people, who are unable to access suitable accommodation to meet their housing needs.
- 2.2 Some of this recent evidence, and the Government's response to grappling with this issue, is identified below.

NHF – People in Housing Need (September 2020)

- 2.3 In September 2020, the NHF (National Housing Federation) published an analysis of the scale and shape of housing need in England today.
- 2.4 On page 4, the report shows that '*nearly 8 million people in England have some form of housing need*'. Nearly 1.9 million households are hosting a 'concealed' household while 3.4 million people found to be living in overcrowded accommodation.
- 2.5 The report expresses concern that the number of people in need of social housing could rise rapidly as a result of the coronavirus crisis – with low-income earners roughly twice as likely to lose their jobs.
- 2.6 It finds (page 2) that '*Long-term investment in social housing is needed to tackle this problem and provide people with suitable homes they can afford*'.
- 2.7 The report describes how the number of people in need of social housing in England has now hit 3.8 million people. This equates to 1.6 million households – 500,000 more than the 1.16 million households recorded on official waiting lists.
- 2.8 The report provides a clear measurement of housing need, necessary because local housing registers (or waiting lists) have become inadequate following the introduction of the Localism Act in 2011.
- 2.9 It states (page 3) that '*There is now no consistent set of criteria for allowing households to join a register*' and the data on these registers is not necessarily reviewed for

accuracy on a regular basis. While local registers serve an important function, *'they do not give the full picture of how many people are in need of a home'*, hence the reason for the NHF analysis.

- 2.10 The report identifies how *'the housing crisis is not one crisis, but a series of interrelated and overlapping crises'* (page 3). These include affordability, the suitability, size and condition of homes, and the ability of people to find accommodation in the first place. Some people will experience one of these problems – others will experience many at once. The complicated picture of interrelated housing crises means there is a need for new, accurate and comprehensive research on housing need, the report finds.
- 2.11 It reveals that the number of people for whom social rent is the most appropriate tenure has increased since the previous iteration of the analysis. It states that *'This suggests an intensifying of need at the 'sharp end' – things are getting worse for the worst off'* (page 5). This is reflected both in the growth in the numbers of people affected by affordability issues and in the growth in overcrowding.
- 2.12 The report continues that more than 3.4 million people were found to be living in overcrowded households, a 5% increase on the previous figures, and 2.7 million were found to have an affordability issue – up nearly 10%.
- 2.13 As might be expected, a significant proportion of these people are to be found within the social sector already. Overcrowding is a known issue in this sector, the report establishes. A shortage of larger homes can make finding a suitably sized home more difficult for families as a result of the sale of council housing and a decrease in government funding for building new social homes since 2010.
- 2.14 This is because larger, family homes are more expensive to build and therefore more difficult to build with less government funding. The 'spare bedroom subsidy' has also acted as an incentive for developers to build smaller homes. Given the freeze on working-age benefits (introduced in 2016 following the 2015 Budget), benefits sometimes *'no longer cover even the cheapest forms of social housing rent'*, the report finds (page 6).
- 2.15 Meanwhile the analysis finds that nearly 1.9 million households are hosting a 'concealed' household, and that concealed households make up the third largest group of people affected, including nearly 1.8 million single people concealed within a total of nearly 1.5 million host households.
- 2.16 Across different tenures, when examining the proportions relative to the size of each tenure, the report finds that problems are more prevalent in the rented sectors,

particularly the private rented sector, *'where more than a quarter of households have some form of housing need'* (page 6).

- 2.17 In addition, when the report looks at those households with needs for whom social rent is the most appropriate tenure, 18.8% of private renting households are in this position compared to 11.6% of social renters and just 1.3% of homeowner households.
- 2.18 Within the private rented sector, affordability, unsuitability and overcrowding are the most frequent issues. In particular, the wider measure of affordability (using an additional higher threshold) shows up highly, as does the measure of unsuitability for the age and health of the occupant.

Speech by Secretary of State for Housing, Communities and Local Government to the Creating Communities Conference 2020 (September 2020)

- 2.19 The Secretary of State, Robert Jenrick, reiterated the importance of affordability in a speech he gave to the Creating Communities Conference 2020.
- 2.20 In the speech, Jenrick made clear that *'We owe it to the next generation to radically reform the existing system, so we can offer them a future where our children and grandchildren can afford to own their own home.'*

Speech by the Minister for Housing to the District Councils' Network (October 2020)

- 2.21 The Housing Minister, Christopher Pincher, gave a speech to the District Councils' Network explaining why the Government is seeking reforms to the planning system. In explaining why the Government is considering a revised methodology for calculating housing need, Pincher noted the work of KPMG and Shelter, stating that *"Local plans do not provide for the ambition we have – 300,000 new homes each year – nor enough to meet the demands of organisations and such as KPMG and Shelter, both of which say we need to be building north of 250,000 homes a year to deal with the housing challenges that we have"*.
- 2.22 Pincher also emphasised the need to address poor housing affordability, particularly that observed in the South and the South East. He explained that in calculating housing need under the Government's proposed methodology, that *"Fundamentally the initial driver, the first driver of need, must be affordability because there are parts of our country, not just in the south and the south east, where the affordability is low and people who want and need to live in a certain place and work in that place cannot afford to do so"*.

Minister of State for Housing Speech at Savills Annual Housing Seminar (24 November 2020)

- 2.23 The Housing Minister, Christopher Pincher, gave a speech to Savills Annual Housing Seminar about the government's strategy for housing.
- 2.24 The Minister made clear that the coronavirus pandemic only reinforced the need to double our efforts to build more quality homes with strong and sustainable communities, which are needed now *“more urgently than ever”*.
- 2.25 The Minister continued, that that means *“keeping up the pace on supply”* to make up for ground lost and that notwithstanding the emergency and the challenges to the economy the Government's target of building 300,000 new homes of all types and tenures each year by the middle of this decade must be met, so that people can *“afford to buy or afford to rent the sorts of homes that they want to be able to provide them with the security and the opportunity that they want and need”*.

The Extent of the National Housing Crisis

- 2.26 In a speech to the House of Commons on 24 October 2013 the-then Planning Minister, Nick Boles, made reference to *“the scale of the housing crisis faced by this country”* and *“the extent of the need for housing”*.
- 2.27 The extent of the need for housing and the scale of the crisis as a result of the persistent under delivery of both market and affordable housing in the UK is explored in this section, starting nearly 17 years ago with Kate Barker's Review of Housing Supply in March 2004.

The Barker Review of Housing Supply (17 March 2004)

- 2.28 In her 2004 review into issues underlying the lack of supply and responsiveness of the housing in the UK, Barker reported that housing is a basic human need, fundamental to our economic and social well-being. She found that:
- A weak supply of housing contributes to macroeconomic instability and hinders labour market flexibility;
 - Housing has become increasingly unaffordable over time, noting that the aspiration for home ownership is as strong as ever, yet the reality is that for many this aspiration will remain unfulfilled unless the trend in real house prices is reduced;
 - This brings potential for an ever widening social and economic divide between those able to access market housing and those kept out; and

- Homes are more than shelter. They provide access to a range of services and to communities. Housing also plays a major role as an asset in household's balance sheets and in household planning for their financial futures.
- 2.29 Barker considered that continuing at the current rate of housebuilding was not a realistic option:
- “Unless we are prepared to accept increasing problems of homelessness, affordability and social division, decline in standards of public service delivery and increasing costs of doing business in the UK – hampering our economic success”.*
- 2.30 She found that whilst demand for housing is increasing over time, driven by demographic trends and rising incomes, in 2001 the construction of new houses in the UK fell to its lowest level since the Second World War.
- 2.31 A weak response of housing supply to demand changes has been one of the factors underlying the instability of the UK housing market with Barker reporting that *“there is growing evidence of a persistent inadequate supply”* noting that in the UK the trend rate of real house price growth over the past 30 years had been 2.4% compared to the European average of 1.1%
- 2.32 She found that affordability has worsened and that in 2002 only 37% of new households could afford to buy a property compared to 46% in the late 1980s. The overall objective of the Barker Review included:
- To achieve improvements in housing affordability in the market sector;
 - A more stable housing market; and
 - An adequate supply of publicly funded housing for those who need it.
- 2.33 Taking the baseline level of private sector housing built in 2002/03 of 140,000 gross starts and 125,000 gross completions, Barker estimated that:
- Reducing the trend in real house prices to 1.8% would require an additional 70,000 private sector homes per annum; and
 - More ambitiously, to reduce the trend in real house prices to 1.1% an additional 120,000 private sector homes per annum would be required.
- 2.34 Even in the case of the less ambitious price trend, Barker found that this would include pricing an additional 5,000 new households into the market each year and improving the access for the backlog of those currently priced out.

- 2.35 She found that an increase in supply of 17,000 affordable homes per annum would be required to meet the needs among the flow of new households, noting that there is also a case for the provision of up to 9,000 affordable homes per annum above this rate in order to make inroads into the backlog of need, a total of 26,000 per annum
- 2.36 Barker presented three scenarios for real house price trends ranging from slowing the rate at which households were being priced out to a long-term reduction of house price inflation:
- 2.4% per annum – which represented the Government’s target aimed at slowing the rate at which households were being priced out of the market, would have required an increase in housebuilding to 160,000 per annum;
 - 1.8% per annum – to reduce the long-term trend would have required an increase in housebuilding to 200,000 per annum; and
 - 1.1% per annum – which represented the EU average at the time, and which was considered would ‘improve the housing market’ would have required an increase in housebuilding to 260,000 per annum.
- 2.37 Meeting Barker’s most optimistic objective of improving the housing market and pricing many more households back into the marketplace would have required an estimated 260,000 homes per annum.

The Barker Review: A Decade On (24 March 2014)

- 2.38 In March 2014, the Home Builders Federation (HBF) undertook a review of housing delivery against the findings of the Barker Review and the impacts of this upon the market and affordability. They found that by 2004 the housing crisis was already building and in the 10 years since then, even against the most modest of the housing targets identified by Barker (which was met only once in 2005/06), the average annual shortfall has been 45,000 homes.
- 2.39 Measured against the objective of improving the housing market, housebuilding had been an average of 145,000 per annum down on the target of 260,000 per annum over the period between 2004 and 2014.
- 2.40 The HBF found that when measured against the middle of Barker’s three price inflation targets for 200,000 per annum, the shortfall of homes over the decade stood at 953,000 homes in 2014. This was on top of a backlog that had already been identified as being large (estimated at between 93,000 and 146,000) and growing in 2004.

- 2.41 They reported that in 2014 even if housebuilding rose to 210,000 per annum overnight, assessed against the middle objective of reducing the long-term rate of inflation, the country would be four and a half years behind where it was in 2004.
- 2.42 In 2014, the HBF found that a decade on from the Barker Review, the UK was 1.45 million homes short of where Kate Barker projected would have brought about an improved housing market.
- 2.43 The HBF reported that a basic estimate would suggest that in order to achieve the very modest objective of slowing the increase in the affordability gap so that fewer new households are priced out of the market, in 2014 some 200,000 private household starts would be required, a figure last achieved in 1972/73.
- 2.44 It goes further to detail that the objective of improving the housing market would, in 2014, have required 320,000 private housing starts per annum, a figure achieved in England only four times since World War II.

Building the Homes We Need (April 2014)

- 2.45 The KPMG and Shelter research was intended to provide a package of new housing policies to inform the new 2015 Government.
- 2.46 It reported that each year an average of 100,000 fewer homes are built that are needed which adds to a shortfall which has been growing for decades, noting that growing demand means that without a step-change in supply we will be locked into a spiral of increasing house prices and rents, making the housing crisis worse.
- 2.47 Because of private housing becoming less affordable, the number of people in need of affordable housing has grown and with the failure of successive governments to deliver new social housing whilst existing stock continues to be depleted through the Right to Buy, waiting lists have grown whilst social housing stock has shrunk as illustrated by figure 2.1¹.

¹ Reduction in total numbers on housing waiting lists in 2013 as a result of local authorities utilising the freedoms afforded to set their own housing allocation criteria through the Localism Act.

Figure 2.1: Social Housing Waiting Lists and Stock



Source: *Building the Homes We Need* (2014)

- 2.48 KPMG and Shelter found that changing demographics meant that we need to build a minimum of 250,000 new homes per annum in England to meet rising demand. In 2013 (the most recent monitoring period available at the time of publication of the report) just 109,660 new homes were built, the lowest annual level since 1946, the year of recovery after the Second World War.
- 2.49 In addition to which the report found that estimates suggest that the backlog of housing need may be as large as two million households and that to clear this England would need to build well over 250,000 homes each year, which would require doubling current output at the time of publication of the report.

The House of Lords Select Committee on Economic Affairs: Building More Homes (15 July 2016)

- 2.50 The Select Committee found that a growing population, rising immigration and rising incomes have increased demand for housing in England in recent decades but that too few homes have been built over this period. As a result, house prices and rents have risen sharply and there has been a decline in home ownership over the past decade.
- 2.51 They considered that we must build enough homes to make housing more affordable for everyone, noting that aspirant homeowners who are unable to afford a deposit pay substantial proportions of their income on rent, families on waiting lists of social housing contend with insecure tenancies and rogue landlords, and at the same time housing benefit spending has doubled in the past two decades.
- 2.52 The Lords reported that as former Housing and Planning Minister Brandon Lewis had explained to them, the Government aimed to address the problems by building one

million homes by the end of Parliament. However, it was noted that since the Brexit vote the Minister had effectively abandoned this target and prior to the vote had warned that it would be difficult to achieve if the UK voted to leave the European Union.

2.53 In addition to this the Committee found that whilst the Government's ambition was welcomed, it must be matched by appropriate action on a much larger scale than currently envisaged and across all tenure. They considered that the Government was focused on building for home ownership and therefore neglecting housing for affordable and social rent.

2.54 It was reported that it had been 10 years since 200,000 homes (the implied annual rate from the Government's target) were added to the housing stock in a single year, but the evidence suggested that this will not be enough to meet future demand and the backlog from previous years of undersupply.

2.55 The Select Committee found that in order to meet demand and have a moderating effect on house prices, at least 300,000 homes a year need to be built for the foreseeable future otherwise the age of a first-time buyer will continue to rise. The main conclusions of the Select Committee included that:

"The Government's target of one million new homes by 2020 is not based on a robust analysis. To address the housing crisis at least 300,000 new homes are needed annually for the foreseeable future. One million homes by 2020 will not be enough".

National Housing Federation Press Release: 'England Short of Four Million Homes' (18 May 2018)

2.56 The NHF press release² reported that new figures reveal the true scale of the housing crisis in England and that the research (conducted by Heriot-Watt University) shows that England's total housing backlog has reached four million homes.

2.57 They report that in order to both meet this backlog and provide for future demand, the country needs to build 340,000 homes per year until 2031, noting that this is significantly higher than current estimates which have never before taken into account the true scale of housing need created by both homelessness and high house prices.

2.58 However, the NHF is clear that these need to be the right type of houses with a need for 145,000 of these new homes per year to be affordable homes, compared to previous estimates of annual affordable housing need of around 78,000 homes. It reports that this means around two fifths (or 40%) of all new homes built every year

² <https://www.housing.org.uk/press/press-releases/england-short-of-four-million-homes/>

must be affordable homes, yet in 2016/17 only around 23% of the total built were affordable homes.

2.59 The research breaks down exactly what type of affordable homes are needed:

- 90,000 per annum should be for social rent;
- 30,000 per annum should be for intermediate affordable rent; and
- 25,000 per annum should be for shared ownership.

2.60 Reference was drawn to the September 2017 announcement by the former Prime Minister Theresa May that £2 billion will be invested in affordable housing and indicating that this could deliver around 25,000 new homes for social rent over three years, however the NHF report that even when this funding is made available, the research shows that it would deliver less than 10% of the social rented homes needed each year.

2.61 Government funding for social housing has been steadily declining for decades. In 1975/76 investment in social housing stood at more than £18 billion a year but had declined to just £1.1 billion in 2015/16. Over the same period, the housing benefit bill grew from £4 billion to £24.2 billion each year.

2.62 The NHF set out that homeownership rates have plummeted among young people, rough sleeping has risen by 169% since 2010 and that unless the Government takes steps to deliver more private, intermediate and social housing, the number of households in temporary accommodation is on track to reach 100,000 by 2020.

2.63 A series of quotes accompany the NHF press release from senior industry professionals, summaries of which are detailed below:

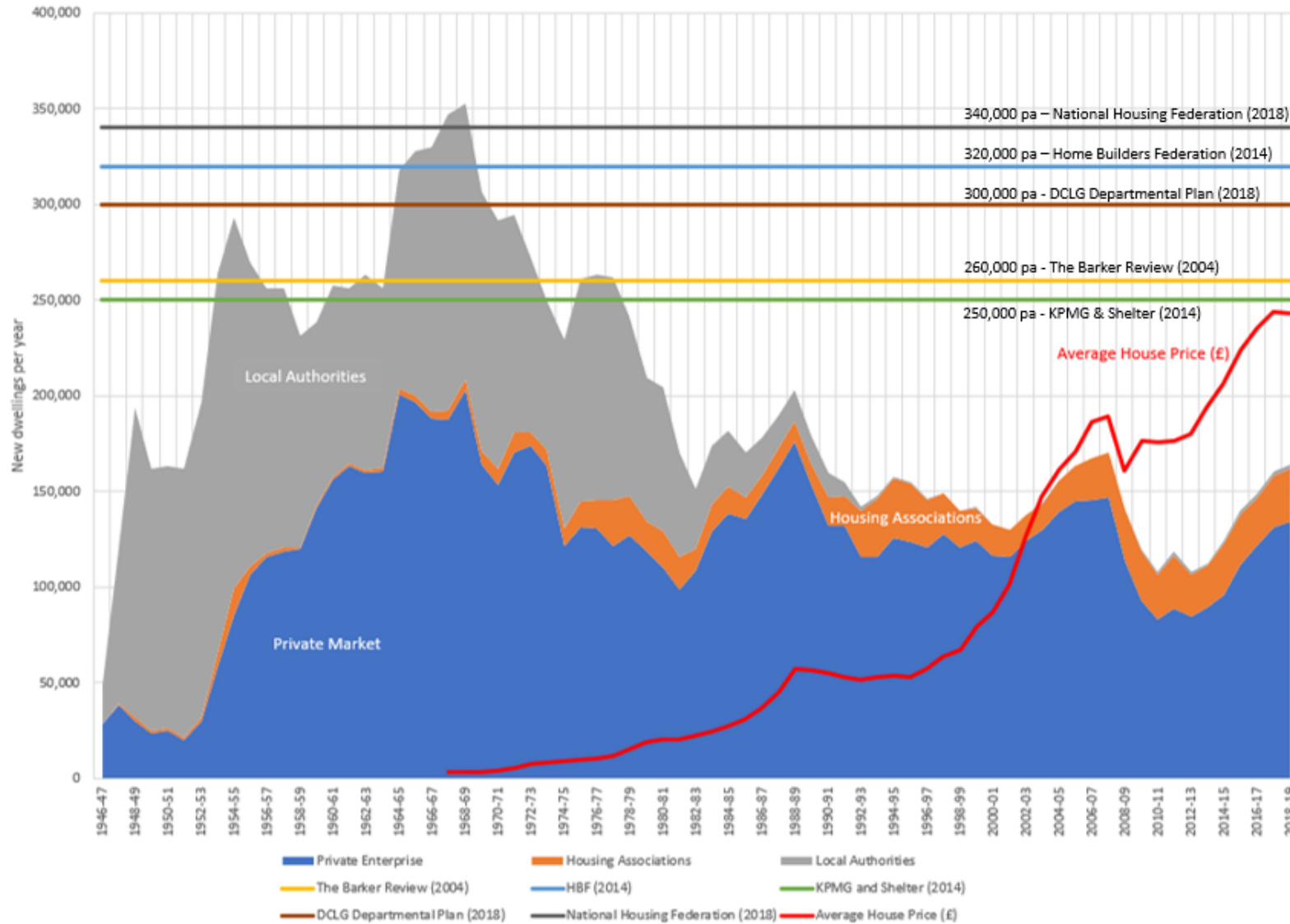
- David Orr, Chief Executive of the NHF – *“This ground-breaking new research shows the epic scale of the housing crisis in England”.*
- Jon Sparkes, Chief Executive of Crisis – *“Today’s findings are stark and shocking, but they also represent a huge opportunity for us as a country to get to grips with our housing and homelessness crisis – and to end it once and for all”.*
- Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing – *“This new report once again highlights the chronic housing shortage we face in the UK and it is clear that only a bold and ambitious plan to solve the housing crisis will prevent a decent, genuinely affordable homes being out of reach for our children and their children.”*

- Campbell Robb, Chief Executive of the Joseph Rowntree Foundation – *“It is unacceptable that currently in our society millions of people are locked out of being able to afford a decent and secure home. For years our failure to deliver enough affordable housing in England has led to rising levels of poverty and homelessness across our country.”*
- Polly Neate, Chief Executive of Shelter – *“We are in the midst of a housing emergency where an entire generation faces a daily struggle for a decent home...Government can turn things around but only by building many more of the high quality, genuinely affordable homes this country is crying out for”.*

The National Housing Shortfall

- 2.64 Over the course of the past 17 years a series of industry leading professionals and figures at the highest level of Government have identified that there is a need for between 200,000 to 340,000 homes per annum to address the housing crisis that has engulfed the country.
- 2.65 Figure 2.2 below illustrates the level of house building in England between 1946 and 2017 and compares delivery over this period with the range of annual housing needs identified between 2004 and 2019, the most recent of which of course being the Governments own Ministry for Housing, Communities and Local Government (MHCLG) target for 300,000 new homes per annum.

Figure 2.2: House Building in England 1946 to 2019



Source: MHCLG Live Table 209; MHCLG Live Table 253; HM Land Registry (2018); The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); MHCLG Single Departmental Plan (2019); NHF (18 May 2018).

- 2.66 Figure 2.2 shows that the Government's current target of 300,000 new homes per annum is a figure that the country has not seen achieved since the mid to late 1960s. Whilst housing completions have been increasing since around 2011, they are still a long way short of meeting the level of housing delivery that is desperately needed to address the housing crisis in this country.
- 2.67 At figure 2.3 net additional dwellings in England since 2004 sourced from MHCLG Live Table 122 are compared with the annual need figures identified in the Barker Review (2004), the KPMG & Shelter research (2014), the HBF research (2014), the NHF research (2018), and the MHCLG Single Departmental Plan (2019).
- 2.68 The results are stark. The lowest of the annual need figures since 2004, that of the KPMG/Shelter report of 250,000 homes per annum, results in a shortfall of -1,105,490 homes in the past 17 years. To put this into context, this is equivalent to:
- 99% of the total number of households on local authority Housing Registers in the whole of England³; and
 - Almost four times the total number of homes across the entire County of Oxfordshire⁴.
- 2.69 At the other end of the scale, the need for 340,000 homes per annum most recently identified in the NHF research results in a shortfall figure of -2,635,490 homes. This is equivalent to more than twice the total number of homes in the entire West Midlands region⁵.
- 2.70 When the Government's most recently published target of 300,000 home per annum taken from the MHCLG 2018 Single Departmental Plan is used for comparison, there has been a shortfall of -1,955,490 homes since 2004. To put this into context, this is equivalent to:
- More than one and a half times the number of households on local authority Housing Registers in the whole of England (see footnote 3); and
 - More than 1.4 times the total number of homes in Greater Manchester⁶.

³ Source: MHCLG Live Table 600 – 1,159,833 households on Housing Registers in England at 1 April 2019

⁴ Source: MHCLG Live Table 100 – 295,517 homes in Oxfordshire at 1 April 2019

⁵ Source: MHCLG Live Table 100 – 1,174,904 homes in West Midlands at 1 April 2019

⁶ Source: MHCLG Live Table 100 – 1,223,807 homes in Greater Manchester Metropolitan County at 1 April 2019

Figure 2.3: National Housing Shortfall Comparison

Year	Net Additions	KPMG/Shelter (2014) 250,000 pa		Barker Review (2004) 260,000 pa		MHCLG Departmental Plan (2019) 300,000 pa		The HBF (2014) 320,000 pa		NHF Research (2018) 340,000 pa	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
03/04	170,969	-79,031	-79,031	-89,031	-89,031	-129,031	-129,031	-149,031	-149,031	-169,031	-169,031
04/05	185,553	-64,447	-143,478	-74,447	-163,478	-114,447	-243,478	-134,447	-283,478	-154,447	-323,478
05/06	202,653	-47,347	-190,825	-57,347	-220,825	-97,347	-340,825	-117,347	-400,825	-137,347	-460,825
06/07	214,936	-35,064	-225,889	-45,064	-265,889	-85,064	-425,889	-105,064	-505,889	-125,064	-585,889
07/08	223,534	-26,466	-252,355	-36,466	-302,355	-76,466	-502,355	-96,466	-602,355	-116,466	-702,355
08/09	182,767	-67,233	-319,588	-77,233	-379,588	-117,233	-619,588	-137,233	-739,588	-157,233	-859,588
09/10	144,870	-105,130	-424,718	-115,130	-494,718	-155,130	-774,718	-175,130	-914,718	-195,130	-1,054,718
10/11	137,394	-112,606	-537,324	-122,606	-617,324	-162,606	-937,324	-182,606	-1,097,324	-202,606	-1,257,324
11/12	134,896	-115,104	-652,428	-125,104	-742,428	-165,104	-1,102,428	-185,104	-1,282,428	-205,104	-1,462,428
12/13	124,722	-125,278	-777,706	-135,278	-877,706	-175,278	-1,277,706	-195,278	-1,477,706	-215,278	-1,677,706
13/14	136,605	-113,395	-891,101	-123,395	-1,001,101	-163,395	-1,441,101	-183,395	-1,661,101	-203,395	-1,881,101
14/15	170,693	-79,307	-970,408	-89,307	-1,090,408	-129,307	-1,570,408	-149,307	-1,810,408	-169,307	-2,050,408
15/16	189,645	-60,355	-1,030,763	-70,355	-1,160,763	-110,355	-1,680,763	-130,355	-1,940,763	-150,355	-2,200,763
16/17	217,345	-32,655	-1,063,418	-42,655	-1,203,418	-82,655	-1,763,418	-102,655	-2,043,418	-122,655	-2,323,418
17/18	222,281	-27,719	-1,091,137	-37,719	-1,241,137	-77,719	-1,841,137	-97,719	-2,141,137	-117,719	-2,441,137
18/19	241,877	-8,123	-1,099,260	-18,123	-1,259,260	-58,123	-1,899,260	-78,123	-2,219,260	-98,123	-2,539,260
19/20	243,770	-6,230	-1,105,490	-16,230	-1,275,490	-56,230	-1,955,490	-76,230	-2,295,490	-96,230	-2,635,490
Total Shortfalls Since 2004 compared to:		KPMG/Shelter Research	-1,105,490	The Barker Review	-1,275,490	MCHLG Departmental Plan	-1,955,490	The HBF	-2,295,490	NHF Research	-2,635,490

Source: MHCLG Live Table 122; HM Land Registry; The Barker Review (2004); HBF (2014); Building the Homes We Need, KPMG & Shelter (2014); NHF (18 May 2018); MHCLG Single Departmental Plan (2019)

Conclusion on the Extent of the National Housing Shortfall and the National Housing Crisis

- 2.71 The evidence shows that in every scenario, against every annual need figure, the extent of the shortfall in housing delivery in England is staggering and merely serves to further compound the acute affordability problems that the country is facing.
- 2.72 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.
- 2.73 Furthermore, there is an ever-increasing wealth of evidence including from figures at the highest levels of Government that unaffordability and inability to get on the housing ladder is a significant problem.
- 2.74 The evidence is clear and demonstrates the pressing requirement to build more homes to meet the significant level of unmet need, particularly for homes that are affordable.

The Development Plan and Other Material Considerations

Section 3

- 3.1 The Development Plan for the Borough comprises the St Helens Local Plan Core Strategy. Other material considerations include the National Planning Policy Framework (2019), the Planning Practice Guidance and a range of corporate documents produced by the Council.

The Development Plan

St Helens Local Plan Core Strategy (2012)

- 3.2 The Development Plan is the St Helens Local Plan Core Strategy (adopted October 2012). It covers the period from 2003 to 2027.
- 3.3 **Policy CH2** seeks to meet St Helen's Housing Needs. It states that a suitable mix of high-quality housing will be provided to deliver sustainable communities in accordance with identified local needs.
- 3.4 It continues that this will be achieved by the delivery of Affordable Housing including by requiring all private sector development on sites of 5 or more units to comply with a Borough-wide target of at least 30% of the total capacity of the new residential development, albeit that for sites below 15 units, a commuted sum may be permissible rather than on-site provision.
- 3.5 Paragraph 14.19 of the policy refers to the joint Mid Mersey Strategic Housing Market Assessment (SHMA), involving St Helens, Halton and Warrington, dated May 2011. This has subsequently been updated by the St Helens SHMA dated January 2019⁷.
- 3.6 The Local Plan identifies at paragraph 14.20 that the *“high level of housing need in part reflects the costs of market housing and local incomes (particularly of younger households) and the decline in stock of Affordable Housing over the last decade.”*
- 3.7 At paragraph 14.23, the supporting text confirms that 30% of additional housing should be provided as Affordable Housing. Whilst there is an identified Borough need for

⁷ See paragraph 4.3 below

Affordable Housing, the policy takes into account the relative local need in the interests of creating mixed and balanced communities.

Other Material Considerations

Emerging St Helens Borough Council Submission Draft (January 2019)

- 3.8 St Helens Borough Council is preparing a new Local Plan, covering the period 2020 – 2035. The Submission Draft has been submitted to the Planning Inspectorate and is the subject of this Examination.
- 3.9 The Submission Draft's vision for the Borough and its settlements is provided on page 12. As part of this vision, the Council wants good quality new market and affordable housing to have been provided, broadening the housing stock, meeting local needs, providing safe and sustainable communities, and making the Borough a residential destination of choice.
- 3.10 Emerging **Policy LPC01** (page 79) relates to housing mix and seeks to provide new market and affordable housing must be well designed to address local housing need and include a range of types, tenures and sizes of homes as informed by relevant evidence including the Borough's latest Strategic Housing Market Assessment (SHMA).
- 3.11 The reasoned justification, at paragraph 6.3.3 refers to the St. Helens SHMA Update 2018⁸ which identifies that there is a need for 1,987 affordable housing units to be delivered in the Borough between 2016 and 2033 at an average of 117 units per year. The emerging Plan seeks to extend this assessment of annual need up until the end of the Plan period (2035).
- 3.12 Of the overall housing provision of 9,234 dwellings (set out in Policy LPA05) the emerging Plan anticipates that about 2,223 (24%) units should be affordable, though it accepts that the amount of affordable housing to be delivered is also likely to be affected by economic viability issues.
- 3.13 Emerging **Policy LPC02** sets out in further detail the requirements for affordable housing of different tenures and in different areas of the Borough.
- 3.14 At point one, the emerging policy states that "*the Council will support the delivery of affordable housing by encouraging new provision by Registered Providers of Social Housing*".

⁸ A further version was published in January 2019 with the same requirement for affordable housing

- 3.15 It also requires that proposals for new open market housing developments of 10 units or more will be required to contribute at least 30% of new dwellings as affordable homes provided on greenfield sites in Affordable Housing Zones 2 (including Bold) and 3, and 0% on brownfield sites. In contrast the proposals here are for 100% affordable housing.
- 3.16 This threshold of 10 units represents a change to the Proposed Submission Draft from a threshold of 11 units, to ensure consistency with the NPPF. The Council had intended this as a minor modification but the Inspectors have confirmed it is a Major Modification.
- 3.17 Emerging **Policy LPA11** (page 70) relates to health and wellbeing and identifies that the Council will “*maximise opportunities for people to lead healthy and active lifestyles and reduce health inequalities for residents within the Borough*”. One of the indicators of the policy’s success (page 203) will be the number of affordable houses completed.
- 3.18 The Council’s Monitoring Framework in respect of Affordable Housing (at Appendix 4) is that the policy will be reviewed particularly in respect of viability if less than 90% of all applications for 11+ dwellings should achieve 30% affordable housing. However, the Council is currently achieving only a net average of 17.5% affordable housing units⁹, based on the current threshold of 10+ dwellings (and its previous lower threshold).

National Planning Policy Framework (February 2019)

- 3.19 The revised NPPF was published in February 2019 and is a material planning consideration. It is important in setting out the role of affordable housing in the planning and decision-making process.
- 3.20 The revised NPPF sets a strong emphasis on the delivery of sustainable development. Fundamental to the social objective is to “*support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations*” (paragraph 8).
- 3.21 Chapter 5 of the revised NPPF focuses on delivering a sufficient supply of homes, in which paragraph 59 confirms the Government’s objective of “*significantly boosting the supply of homes*”.
- 3.22 The revised NPPF is clear that local authorities should deliver a mix of housing sizes, types and tenures for different groups, which include “*those who require affordable*

⁹ See Figure 4.2 below

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” (paragraph 61).

- 3.23 The revised NPPF places a great responsibility on all major developments (involving the provision of housing) to provide an element of affordable housing.
- 3.24 Affordable housing is defined within the revised NPPF glossary as affordable housing for rent (in accordance with the Government’s rent policy for Social Rent or Affordable Rent or is at least 20% below local market rents), starter homes, discounted market sales housing (at least 20% below local market value) and other affordable routes to home ownership including shared ownership, relevant equity loans, other low-cost homes for sale (at least 20% below local market value) and rent to buy (which includes a period of intermediate rent).

Planning Practice Guidance (March 2014, Ongoing Updates)

- 3.25 The PPG was first published online on 6 March 2014 and is subject to ongoing updates. It replaced the remainder of the planning guidance documents not already covered by the revised NPPF and provides further guidance on that document’s application.
- 3.26 Figure 3.1 sets out the paragraphs of the PPG of relevance to affordable housing.

Figure 3.1: PPG Paragraphs of Particular Relevance

Section	Paragraph	Commentary
Housing Need Assessment	006 (Reference ID: 2a-006-20180913)	The section sets out that assessments of housing need should include considerations of and be adjusted to affordability. This paragraph sets out that <i>“an affordability adjustment is applied as household growth on its own is insufficient as an indicator of housing demand”</i> . This is because: <ul style="list-style-type: none"> household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.
	021 (Reference ID: 2a-021-20180913)	Sets out that <i>“all households whose needs are not met by the market can be considered in affordable housing need. The definition of affordable housing is set out in Annex 2 of the National Planning Policy Framework”</i>
	022 (Reference ID: 2a-022-20180913)	States that <i>“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</i>

Section	Paragraph	Commentary
	ID: 2a-022-20180913)	<i>cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments)".</i>
	023 (Reference ID: 2a-023-20180913)	<p>The paragraph sets out that in order to calculate gross need for affordable housing, <i>“strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:</i></p> <ul style="list-style-type: none"> • <i>the number of homeless households;</i> • <i>the number of those in priority need who are currently housed in temporary accommodation;</i> • <i>the number of households in over-crowded housing;</i> • <i>the number of concealed households;</i> • <i>the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and</i> • <i>the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.”</i>
	027 (Reference ID: 2a-027-20180913)	The paragraph states that <i>“an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes”</i> .
Planning Obligations	031 (Reference ID: 23b-031-20161116)	<p>Sets out that <i>“there are specific circumstances where contributions for affordable housing and tariff style planning obligations (section 106 planning obligations) should not be sought from small scale and self-build development. This follows the order of the Court of Appeal dated 13 May 2016, which give legal effect to the policy set out in the written ministerial statement of 28 November 2014 and should be taken into account.</i></p> <p><i>These circumstances are that:</i></p> <ul style="list-style-type: none"> • <i>contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1,000 square metres (gross internal area)</i> • <i>in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty</i> • <i>affordable housing and tariff-style contributions should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home”</i>

Section	Paragraph	Commentary
Housing and economic land availability assessment	019 (Reference ID: 3-019-20140306)	<p>In terms of assessing the suitability of a site in terms of allocating it for development, the paragraph recognises the importance of consideration of the needs of the community, stating:</p> <p><i>“Plan makers should assess the suitability of the identified use or mix of uses of a particular site or broad location including consideration of the types of development that may meet the needs of the community. These may include, but are not limited to: market housing, private rented, affordable housing, people wishing to build or commission their own homes, housing for older people, or for economic development uses.</i></p> <p><i>Assessing the suitability of sites or broad locations for development should be guided by:</i></p> <ul style="list-style-type: none"> <i>• the development plan, emerging plan policy and national policy;</i> <i>• market and industry requirements in that housing market or functional economic market area.”</i>

Source: Planning Practice Guidance (2019)

Corporate Documents

St Helens Housing Strategy

- 3.27 The Council’s Housing Strategy is under review, but the Council’s website describes the main objective of their strategy being 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”*.

St Helens Homelessness Strategy 2018 – 2023 (2018)

- 3.28 The Council’s Strategy seeks to tackle all forms of homelessness, including those owed a statutory duty (typically families with dependent children, or vulnerable adults), but also people who are single, sleeping on the streets, or other in transient arrangements, for example, sleeping on a friends’ sofa.
- 3.29 Page 2 of the Strategy states that the causes of homelessness are complex and varied, and that *“people are at more risk of homelessness due to poverty and deprivation, poor physical and mental ill-health or the lack of affordable housing.”*

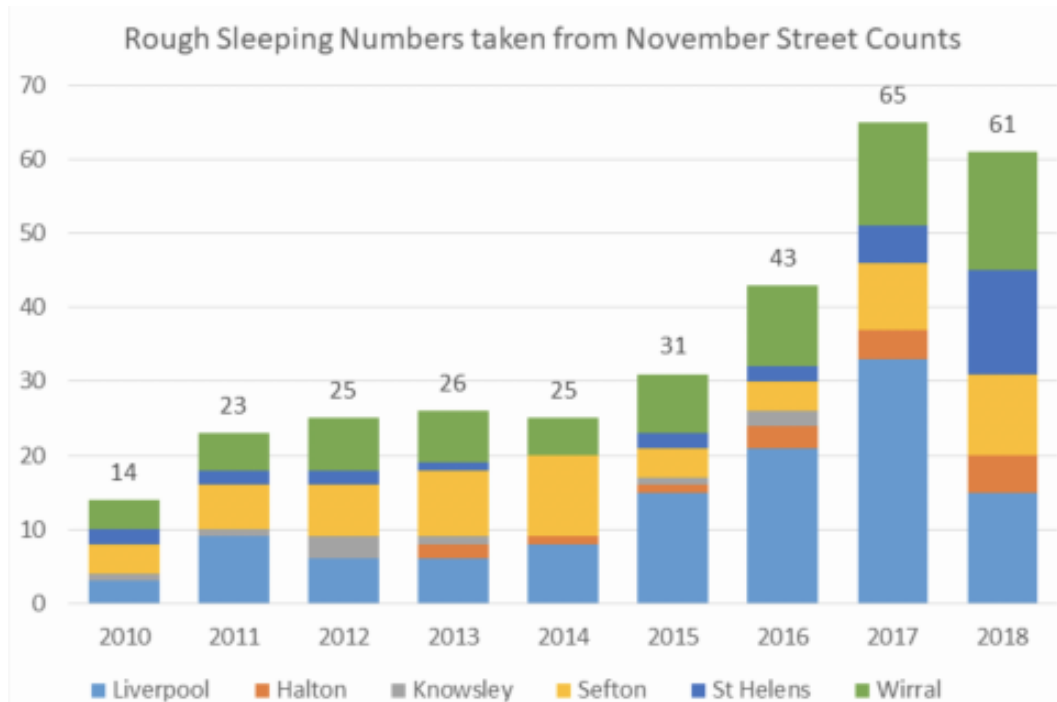
Our Housing Ambitions for the Liverpool City Region 2019-2024 (2019)

- 3.30 The document provides the Housing Strategy for the Liverpool City Region Combined Authority area, including St Helens.
- 3.31 The Combined Authority’s Vision is provided on page 7 and this includes an imperative to support an inclusive economy, with more good jobs and more growing businesses,

attracting workers “*with good quality homes available at a price which is affordable to all*”.

- 3.32 It further identifies on page 9 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*”.
- 3.33 On the same page, the document makes clear that meeting the growing housing need involves boosting the housing supply, as well as providing the right type, tenure and affordability of housing as an important part of securing long term sustainable economic growth and successful place-making.
- 3.34 One of the Combined Authority’s priorities is tackling homelessness. On page 17 the document identifies the causes of homelessness as being complex and wide ranging. One of these causes is the “*lack of suitable housing*” together with poor mental health, domestic violence, family breakdown and welfare reform, particularly the freezing of Local Housing Allowance.
- 3.35 The document makes clear that “*this a key part of the housing crisis we need to address*”. It concludes that “*preventing homelessness for as many people as possible - and where homelessness does occur ensuring that it is rare, brief and non-recurring - is a priority for us*” (our emphasis).
- 3.36 The table at figure 1 of the document reveals rough sleeping numbers taken from November Street Counts in 2018 and it is reproduced below:

Figure 3.2: Extract from 'Our Housing Ambitions for the Liverpool City Region' showing rough sleeping numbers



Source: *Our Housing Ambitions for the Liverpool City Region, LCA*

- 3.37 It can be seen that the number of rough sleepers in St Helens has grown significantly since the previous year whereas other Boroughs (notably Liverpool itself) have reduced the number of rough sleepers.
- 3.38 The document provides a Delivery Plan at page 20. The first priority, Priority A, is “Delivering more homes, improving housing choice and quality”. The first action is to complete and maintain a pipeline of housing development sites.

St Helens Draft Council Plan 2020/21 (2020)

- 3.39 The draft St Helens Council Plan 2020-21 sets out the Council’s draft priorities, main programmes of work and what the Council aims to achieve. The Draft Plan recognises (page 5) that “*there are relatively high levels of deprivation and inequality to be found in areas of the Borough*”
- 3.40 As part of its policy to address this, the Council’s fourth priority is to support a strong, diverse and well-connected local economy, including a commitment, on page 15, where the Plan seeks good homes in safe, attractive neighbourhoods that will provide many positive benefits and improve quality of life and wellbeing for young and old.

- 3.41 It continues on the same page, that the Council “*will work with partners to support the development of a range of good quality homes of all types, tenures and costs that meet people’s needs and aspirations and make St Helens a great place to live and work*”.
- 3.42 In respect of homelessness, the Plan makes clear the Council’s intention to “*strive to prevent homelessness wherever possible and where it does happen, try to ensure that it doesn’t reoccur*”.
- 3.43 Under the heading of ‘Delivering the Plan’, the Plan identifies the key objectives and how they will be achieved. Objective 4 is to provide the ‘right homes, in the right place, at the right cost’. Under ‘What we will do’ (page 29), the Plan states that the Council will “*Work with developers to ensure a supply of housing that meets the needs of all the community*” to achieve “*increased numbers of net homes and affordable homes*”.

Conclusions on the Development Plan and Other Material Considerations

- 3.44 There are a wide range of St Helens Council documents that clearly highlight the need for more affordable housing within the authority area to address the existing housing issues within the Borough, particularly homelessness and rough sleepers. In addition to which the delivery of affordable homes has been a long-standing corporate priority of the Council.

Affordable Housing Needs and Past Delivery Record

Section 4

The Development Plan Position

- 4.1 At paragraph 14.23, the Core Strategy's supporting text confirms that 30% of additional housing should be provided as Affordable Housing.

Affordable Housing Needs Evidence Base

- 4.2 There have been a range of assessments of housing need in St Helens in recent years. The most relevant is the Strategic Housing Market Assessment Update in January 2019.
- 4.3 The SHMA provides an update for St Helens Borough Council to the Mid Mersey Strategic Housing Market Assessment produced in 2016 (referred to in the Local Plan).
- 4.4 The 2019 analysis has been based on meeting affordable housing need over the 17-year period from 2016 to 2033 taking into account current need, newly forming households and existing households falling into need, less the supply of affordable houses from vacant stock and the development pipeline.
- 4.5 At figure 5.22 of the SHMA, it calculates an overall need for affordable housing of **117** units per annum over the period to 2033 in St Helens for subsidised housing at a cost below that to access the private rented sector (i.e. for households unable to access any form of market housing without some form of subsidy).

Past Affordable Housing Delivery in St Helens

- 4.6 Figure 4.1 demonstrates the delivery of housing and affordable housing in St Helens over the fourteen-year period from 2005/06 (as far back as data is available from the Council's Annual Monitoring Reports) and 2019/20.

Figure 4.1: St Helens Housing and Affordable Housing Completions 2005/06 to 2019/20

Monitoring Period	Overall Housing Completions (Net)	Affordable Housing Completions (Gross)	Affordable Housing as a %age of Overall Housing
2005/06	551	15	2.72%
2006/07	637	72	11.30%
2007/08	496	26	5.24%
2008/09	441	25	5.67%
2009/10	401	233	58.10%
2010/11	182	87	47.80%
2011/12	432	231	53.47%
2012/13	332	149	44.88%
2013/14	509	142	27.90%
2014/15	633	112	17.69%
2015/16	576	122	21.18%
2016/17	489	66	13.50%
2017/18	457	80	17.51%
2018/19	806	128	15.88%
2019/20	765	192	25.10%
Totals	7,707	1,680	21.8%

Source: St Helens Annual Monitoring Reports

- 4.7 Since 2005/06 there have been a total of 7,707 overall housing completions and 1,680 gross affordable housing completions, equivalent to an average of just 112 gross affordable dwellings per annum.

The number of affordable homes compared with overall completions is, at an average of 21.8% well below the Core Strategy's target of 30%.

Right to Buy

- 4.8 It is important that losses through the Right to Buy are taken into account, to reflect the actual level of affordable houses available.
- 4.9 Tetlow King Planning (TKP) has presented similar evidence at Local Plan Examinations in Public and at s78 appeal inquiries. For example TKP provided evidence to the Inspector at the North Worcestershire Golf Course appeal where the

right to buy losses also resulted in significant reductions to the net affordable housing completions. The Inspector noted at paragraph 9.49 of the appeal decision:

“Mr Stacey’s evidence on affordable housing provision was not challenged. Table 7.1 of his proof shows that, over the first 6 years of the plan period 2,757 new affordable homes were provided against a target provision of 5,820 (6x970). When the losses of social rented dwellings through right to buy purchases is taken into account that equates to a net provision of only 151 new affordable homes over that period (Mr Stacey’s Tables 7.2 & 7.3) against an identified need for 970 affordable homes each year. This represents only 1% of all completions over those 6 years and 3% of the affordable housing need for that period. It has also resulted in a net delivery shortfall of 5,669 affordable homes over the plan period to date”

- 4.10 Full data on Right to Buy losses is not currently available over the full period from 2005, but there is data available from the period 2011/12 to 2019/20 in the MCHLG’s Private Registered Provider Social Housing Stock in England: Statistical Data Returns .

Figure 4.2 – Completions after some RTB in St Helens

Year	Overall Housing Completions (Net)	Affordable Housing Completions gross of Right to Buy	Right to Buy losses	Affordable Housing Completions net of right to buy	Affordable Housing as a %age of Overall Housing net of right to buy
2005/06	551	15	NA	15	2.7%
2006/07	637	72	NA	72	11.3%
2007/08	496	26	NA	26	5.2%
2008/09	441	25	NA	25	5.7%
2009/10	401	233	NA	233	58.1%
2010/11	182	87	NA	87	47.8%
2011/12	432	231	24	207	47.9%
2012/13	332	149	36	113	34.0%
2013/14	509	142	49	93	18.3%
2014/15	633	112	57	55	8.7%
2015/16	576	122	62	60	10.4%
2016/17	489	66	76	-10	-2.0%
2017/18	457	80	63	17	3.7%
2018/19	806	128	76	52	6.5%
2019/20	765	192	76	116	15.2%
Totals	7,007	1,680	519	1,161	15.1%

Source: St Helens Annual Monitoring Reports, Private Registered Provider Social Housing Stock in England: Statistical Data Returns (2012 to 2020)

- 4.11 As shown by figure 4.2, when losses through the Right to Buy are taken into account, the Council achieved a total of just 1,161 affordable dwellings, or just 75 dwellings per annum.
- 4.12 The number of affordable homes compared with overall completions is, at an average of only 15.1% significantly below the Core Strategy’s target of 30%.

Comparative Analysis of Delivery Against the SHMA

- 4.13 When comparing affordable housing delivery since 2016 (the base period of the 2019 SHMA update) there has been a shortfall of -293 affordable homes compared to a net need for 468 over the same period – with a net addition of just 175 additional dwellings to the housing stock.

Figure 4.3: Net Additions to Affordable Housing Stock Compared with Objectively Assessed Affordable Housing Need (2016/17 to 2019/20)

Monitoring Period	Net additions to Affordable Housing Stock	Net Affordable Housing Need Identified in 2019 SHMA Update	Shortfall in Affordable Housing Delivery Compared with Identified Needs
2016/17	-10	117	-127
2017/18	17	117	-100
2018/19	52	117	-65
2019/20	116	117	+1
TOTALS	175	468	-293

Source: AMRs

- 4.14 The Council has clearly failed to achieve its affordable housing needs. There clearly needs to be a step change in the provision of affordable housing in the Borough to make up the shortfall. Furthermore, as will be shown in Figure 4.5 this needs to be met over the next five years, and meeting the shortfall over this period results in a need for 176 affordable dwellings per annum.

Affordable Housing Delivery in Bold Ward

- 4.15 An Analysis of the number of affordable dwellings approved in Bold ward has been undertaken, using the Council’s on-line register of planning applications.
- 4.16 A search has been undertaken of major applications (10+ dwellings) within the ward since 2015. These are the only applications likely to yield affordable dwellings, with

applications below 10 dwellings being below the threshold in the Planning Practice Guidance.

- 4.17 The analysis demonstrates that there were just three sites where more than ten dwellings were approved, shown in Figure 4.4:

Figure 4.4 – Affordable dwellings approved in Bold ward since 2015

Site	Total number of dwellings approved	Number of affordable dwellings approved	% of affordable dwellings approved
Penlake Industrial Estate	337	17	5%
Land at Sorrel Way, Clock Face	12	3	25%
Land at 305 Walkers Lane, Sutton Manor	16	1	6%
Total	365	21	6%

Source: SHBC online register

- 4.18 This analysis demonstrates that just 21 affordable dwellings were approved in the ward since 2015, or 6% of those approved by major applications, significantly below the 30% sought by the Core Strategy or even the emerging Local Plan’s monitoring requirement that 90% of applications for 11+ dwellings provide 30% affordable housing.
- 4.19 In the case of the application at Penlake Industrial Estate, the applicant provided an independent valuation report. The Council accepted that only 5% provision of affordable housing would be viable.
- 4.20 In respect of Sorrell Lane, Clock Face, in the absence of an up-to-date viability assessment, affordable housing has been left to condition through provision of an affordable housing ‘scheme’, so it is unclear how many affordable units will be provided, though the condition refers to three units.
- 4.21 Full details in respect of Walkers Lane, Sutton Manor are not available, but the s106 gives the developer the option to provide only 1 affordable dwelling on site, or a contribution, so it is possible that no affordable units are provided.
- 4.22 In each case however this demonstrates the problems achieving delivery of affordable housing in Bold, primarily because of viability. This goes to the heart of the Inspectors’ question on the matter and demonstrates how much of a benefit the provision of 100% affordable housing on the site at Chapel Lane would be.

- 4.23 The site at Chapel Lane is well-placed to deliver 100% affordable housing. Furthermore, by using existing grant funding the site is considered to be highly deliverable.

Future Affordable Housing Delivery in St Helens

- 4.24 The future delivery of affordable housing is highly uncertain. Past delivery has fluctuated considerably and the delivery of a high number of affordable homes one year does not guarantee this will continue for future years. The supply of affordable housing is affected by local market factors, including the numbers of sites with planning permission and also wider national factors including availability of public funding.

- 4.25 Although the SHMA seeks to deal with the backlog over the period that it assesses, any shortfall in delivery should be dealt with within the next five years in accordance with the 'Sedgefield' approach. This is also the approach set out within the PPG

- 4.26 This approach was also endorsed by the Inspector presiding over the appeal at Church Street, Davenham in which a proposal for 20 dwellings, including six affordable homes, was allowed in January 2016. Paragraph 56 of the Inspector's report stated that:

"The Strategic Housing Market Assessment 2013 identified a need for an additional 714 net affordable dwellings per annum between 2013 and 2018 if the backlog for such dwellings are included and delivered within 5 years. Whilst I understand this figure would be considerably less if the backlog of affordable housing demand were to be cleared over a longer time period I do not understand the Council's justification for adopting such an approach, especially since it has adopted the 'Sedgefield' method in relation to dealing with its overall housing shortfall requirement"

- 4.27 This approach was also agreed by the Inspector determining the appeal at Aviation Lane, Burton-on-Trent, which was allowed for 128 affordable dwellings. The Inspector made clear (paragraph 8) that:

"In my view, the extent of the shortfall and the number of households on the Council's Housing Register combine to demonstrate a significant pressing need for affordable housing now. As such, I consider that the aim should be to meet the shortfall as soon as possible." (our emphasis).

- 4.28 Figure 4.5 provides an illustration of the annual affordable housing need when the Sedgefield approach is applied, addressing backlog needs within the first five years. This shows that when backlog needs accrued since 2016 are taken into account, there

is a need for 176 net affordable homes per annum for the five-year period between 2020/21 and 2024/25.

Figure 4.5: Affordable housing need over the next 5 years including the backlog

A	Net Affordable housing need identified in the 2019 SHMA update (per annum)	117
B	Net Affordable housing need for the period 2016/17 – 2019/20 (A x 4)	468
C	Affordable housing completions for the period 2016/17 – 2019/20	175
D	Shortfall/backlog of affordable housing against need for the period 2016/17 – 2019/20 (B – C)	293
E	Backlog affordable housing need required to be addressed over the 5-year period 2020/21 – 2024/25 (D / 5) (per annum)	59
F	Full affordable housing need required over the period 2020/21 – 2024/25 (E + A) (per annum)	176

- 4.29 The scale of the affordability problem that St Helens is facing is evident when it is considered that were backlog needs to be addressed within the next five years using the Sedgefield approach, there is a net need for 176 affordable homes per annum, yet this is an Authority that has only achieved an average delivery rate of just 44 net affordable homes per annum over the past four years.
- 4.30 In light of St Helens’ poor record of affordable housing delivery, there can be no doubt in my mind that without a significant step change in the delivery of affordable housing, the situation for those in affordable housing need in St Helens will only worsen.
- 4.31 Such a step change can only be achieved by delivering more housing sites with policy compliant levels of affordable housing in sustainable locations such as the proposed site.

Conclusions on Affordable Housing need and Past Delivery Record

- 4.32 There is an acute need for affordable homes in St Helens with the most recent SHMA Update (2019) identifying a net need for 117 affordable homes per annum between 2016 and 2033.
- 4.33 The Council having overseen an addition of only 175 affordable dwellings in the last four years since 2016 has resulted in a shortfall of -293 affordable homes compared to objectively assessed needs. This represents a shortfall in delivery of some 62%. When met over the next five years, as required by the PPG, the shortfall amounts to 176 dwellings per annum required.
- 4.34 In light of the Council's past performance and the level of identified need there is no doubt that sites such as this are absolutely necessary to address the affordable housing needs of St Helens.

Affordability Indicators

Section 5

Market Signals

- 5.1 The PPG recognises the importance of giving due consideration to market signals as part of understanding affordability in the context of Plan making.

Lower Quartile Affordability Ratio

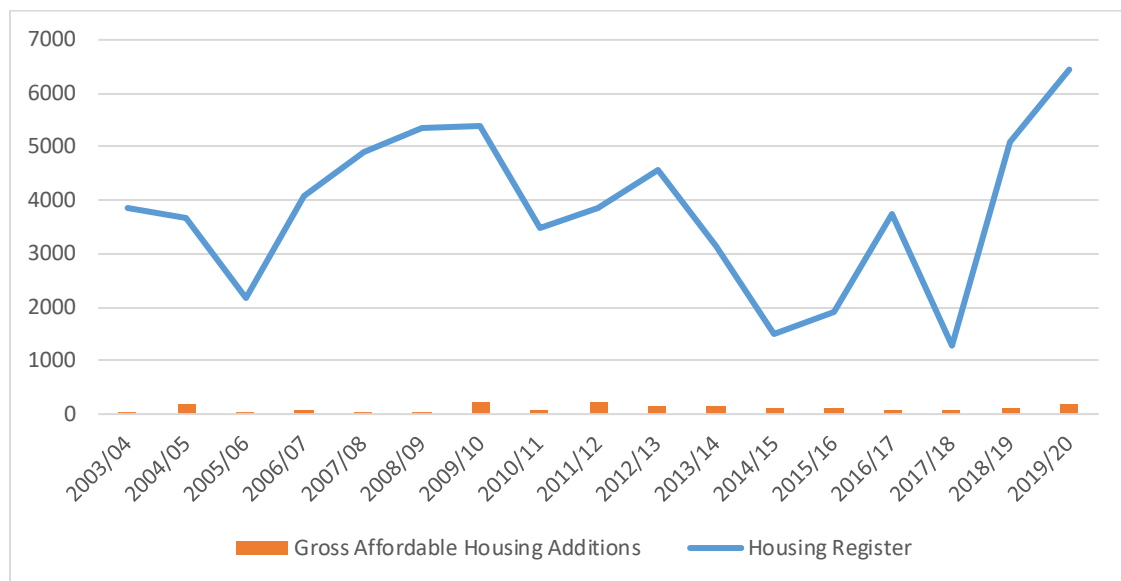
- 5.2 For those seeking a lower quartile priced property (typically considered to be the 'more affordable' segment of the housing market), the situation is bleak. Lower quartile house prices in relation to lower quartile incomes in St Helens have risen dramatically since 2003/04.
- 5.3 In that year the ratio stood at 3.08, whereas in the most recent year (2019/20) the ratio now stands at 5.01¹⁰. To put this into context, those on lower quartile incomes seeking a lower quartile property would need to find over five times their annual income to purchase a home at the lowest priced end of the market.
- 5.4 Furthermore, the ratio has increased faster in St Helens over that period (a 62.7% increase) than in the North West as a whole (a 61.3% increase).

St Helens Council Housing Register

- 5.5 On 1 April 2020 there were a total of 6,444 households on the St Helens Housing Register according to MHCLG data. This represents a 26% increase just since the previous year's figure of 5,089.
- 5.6 Figure 5.1 compares gross affordable housing additions against the level of the Housing Register over the last three years.
- 5.7 This figure illustrates that net additions to the affordable housing stock have persistently fallen significantly short of coming anywhere near addressing identified needs on the Housing Register.

¹⁰ Source: ONS – Ratio of lower quartile house prices to lower quartile gross annual workplace-based earnings

Figure 5.1 – The Housing Register and Affordable Housing in St Helens 2003/04 - 2019/20



- 5.8 Furthermore, the number of people on the Housing Register has now reached its highest level since at least 2003 (the base date of the Core Strategy).
- 5.9 Furthermore, as a result of changes introduced by the Localism Act 2011, Local Housing Authorities have been able to set their own Housing Register criteria. In St Helens, a review of the Allocations Policy was completed in 2011 and in 2013 a number of further interim changes were introduced to take account of the implications of changes to housing benefit regulations.
- 5.10 The current allocations policy dates from 2014 and was implemented from 1st January 2015. It is particularly restrictive, limiting out of Borough applicants (unless in exceptional circumstances) to Band C and D only and making it much less likely that they will achieve an affordable home.
- 5.11 A recent appeal decision¹¹ in April 2020 has highlighted the importance of recognising the importance of all those on the housing register. Inspector DM Young asserted that in the context of a lengthy housing register of 2,421 households “*It is sometimes easy to reduce arguments of housing need to a mathematical exercise, but each one of those households represents a real person or family in urgent need who have been let down by a persistent failure to deliver enough affordable houses” (emphasis added).*
- 5.12 He went on to state that “*Although affordable housing need is not unique to this district, that argument is of little comfort to those on the waiting list*” before concluding that

¹¹ Appeal decision reference - APP/Q3115/W/19/3230827

“Given the importance attached to housing delivery that meets the needs of groups with specific housing requirements and economic growth in paragraphs 59 and 80 of the Framework, these benefits are considerations of substantial weight”.

- 5.13 In the planning balance the Inspector stated that, *“The Framework attaches great importance to housing delivery that meets the needs of groups with specific housing requirements. In that context and given the seriousness of the affordable housing shortage in South Oxfordshire, described as “acute” by the Council, the delivery of up to 500 houses, 173 of which would be affordable, has to be afforded very substantial weight”.*
- 5.14 In determining the South Oxfordshire appeal, the Secretary of State concurred with these findings, thus underlining the importance of addressing needs on the Housing Register, in the face of acute needs and persistent under delivery.
- 5.15 Undoubtedly, all of the 6,444 households on the St Helens Housing Register are in the words of Inspector Young, *“a real person or family in urgent need who have been let down by a persistent failure to deliver enough affordable houses”.*
- 5.16 Those 6,444 households are likely to be an underestimate of the true number of households in need of affordable housing..

Indices of Deprivation

- 5.17 St Helens Council’s Indices of Deprivation 2019 Summary Report find that St Helens is now ranked as the 26th most deprived local authority in England out of 317. Its relative position has deteriorated since the 2015 Index of Deprivation where St Helens was ranked as the 36th most deprived area (out of then 326 authorities).
- 5.18 There are now a total of 29 neighbourhoods (Lower Super-Output Areas) within the Borough that fall within the 10% most deprived LSOAs nationally, compared to 28 in 2015. A total of 50 LSOAs within the Borough fall within the 20% most deprived nationally, compared to 47 in 2015.
- 5.19 Indeed, it finds that the Bold ward includes some of the most deprived areas, being within the most 1% deprived nationally. This only serves to demonstrate the urgent need for additional affordable housing, to help encourage the town and the ward out of deprivation.

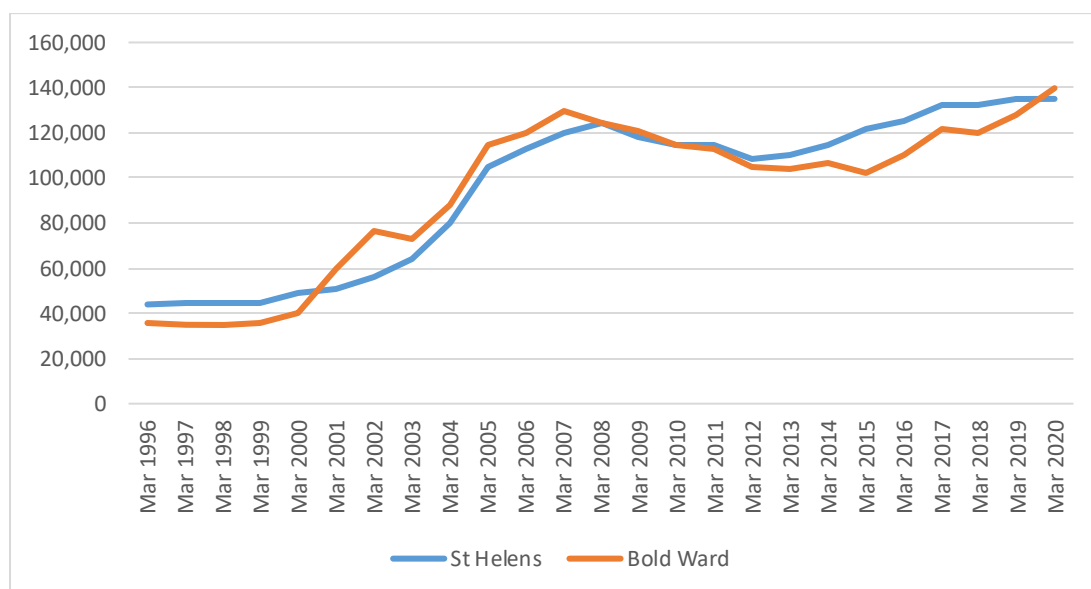
Homelessness

- 5.20 The most recent data available is MHCLG’s ‘initial assessments of statutory homelessness duties owed’ which showed that for the period from April 2019 to March 2020, there were 869 households owed a duty.
- 5.21 This represents a rise in homelessness compared to the previous period (April 2018 to March 2019) where the same statistics record that 724 households were homeless. There has therefore been a **20% increase** in homelessness over a one-year period.
- 5.22 A quarter of the 869 households were people previously living with friends and family who were no longer able to accommodate them, and another quarter were private rented tenants whose tenancy had come to an end. These are real people, in real need, now.

House Prices in St Helens and Bold ward

- 5.23 ONS data shown at figure 5.2 illustrates that average house prices in both St Helens and Bold ward have increased considerably since March 1996 (the furthest back that the data goes). Housing prices now stand their highest level ever, and prices in Bold ward are now higher than the average for the Borough.

Figure 5.2: Median House Prices in St Helens and Bold ward



Source: Median House Prices for Administrative Geographies HPSSA dataset 9

- 5.24 Further evidence in respect of housing in the North West is provided by the NHF in their report ‘Home Truths’.

- 5.25 This analysis found that an income of £33,207 per annum would be required in order to obtain an 80% mortgage in St Helens, yet by comparison the average annual earnings in the authority area were only £26,910.

Conclusions on Affordability Indicators

- 5.26 As the analysis above demonstrates, affordability is undoubtedly a serious and pressing issue for residents at the lower end of the housing ladder in St Helens. Homelessness is increasing, as is the number of people on the Housing Register.
- 5.27 Market signals indicate a worsening trend in affordability in St Helens as a result of which a step change in affordable housing delivery is required to address identified needs and begin to address the significant shortfall in delivery compared to objectively assessed affordable housing needs.
- 5.28 It is plain to see the delivery of more affordable housing is urgently needed in St Helens.

Conclusion

Section 6

- 6.1 Britain is in the midst of an undisputed housing crisis suffering from an acute housing crisis with too few homes built to meet local needs. The National Housing Strategy states that a thriving housing market that offers choice, flexibility and affordable housing is critical to our social and economic wellbeing.
- 6.2 The NPPF (2019) sets out the Government's clear objective of "*significantly boosting the supply of homes*".
- 6.3 There is a wealth of evidence to demonstrate that there is a national housing crisis in the UK affecting many millions of people who are unable to access suitable accommodation to meet their housing needs.
- 6.4 There is a clear and pressing need for more affordable homes to be delivered in St Helens which the proposals would make a substantial contribution towards addressing.
- 6.5 There is an increasing problem of homelessness and St Helens is now ranked as the 26th most deprived local authority in England out of 317. Its relative position has deteriorated since the 2015 Index of Deprivation where St Helens was ranked as the 36th most deprived area (out of then 326 authorities).
- 6.6 The Bold ward includes some of the most deprived areas, being within the most 1% deprived nationally. This only serves to demonstrate the urgent need for additional affordable housing, to help encourage the town and the ward out of deprivation.
- 6.7 This must be viewed in the context of the 6,444 households on the Housing Register in St Helens, a 26% increase just since the previous year's figure. It is important not to lose sight of the fact that these are real people, in real affordable housing need, now.
- 6.8 Furthermore, average house prices in both St Helens and Bold have increased considerably since March 1996. Housing prices now stand their highest level ever, and prices in Bold are now higher than the average for the Borough.
- 6.9 Those on lower quartile incomes seeking a lower quartile property would need to find over five times their annual income to purchase a home at the lowest priced end of the market.

- 6.10 The acute level of affordable housing need coupled with worsening affordability will detrimentally affect the ability of people to lead the best lives they can. The National Housing Strategy requires urgent action to build new homes, acknowledging the significant social consequences of failure to do so.
- 6.11 On a national level, in every scenario, against every annual need figure identified since the publication of the Barker Review in 2004, the extent of the shortfall in housing delivery in England is staggering and ranges from a shortfall of -1,105,490 to a shortfall of --2635.490 homes over the past 17 years depending on which annual target actual housing completions are measured against. This merely serves to further compound the acute affordability problems that the country is facing.
- 6.12 What is clear is that a significant boost in the delivery of housing, and in particular affordable housing, in England is absolutely essential to arrest the housing crisis and prevent further worsening of the situation.
- 6.13 In light of the key findings and the acute need for affordable housing within St Helens, coupled with the Council's track record of affordable housing delivery compared with identified needs, there is clearly an urgent need for this 100% affordable housing scheme to be allocated in the emerging Local Plan.