

# Affordable Housing

## Supplementary Planning Document

### Adopted July 2023

Blackpool Council





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# 1 Purpose of the document

1.1 This draft Supplementary Planning Document (SPD) is intended to:

- Expand on planning policy in the Blackpool Local Plan and provide further guidance on the requirements for affordable housing in new housing developments in Blackpool, including conversions;
- Explain why affordable housing is required and how it should be delivered.

1.2 This Draft SPD is subject to a six week consultation and the Council are inviting you to comment on any aspect of the document. Comments received will help to inform preparation of the SPD and will be published in a separate Consultation Report when the SPD is adopted.

1.3 Once adopted, this SPD will be a material consideration in the assessment of planning applications.

## Sustainability Appraisal

1.4 The sustainability impacts of affordable housing provision have been formally assessed in the context of higher-level planning documents. Specifically, Policy CS14 to which this SPD relates was subject to Sustainability Appraisal for the Blackpool Local Plan Part 1: Core Strategy 2012-2027. As such, a separate sustainability appraisal for this SPD is not required.

## Habitats Regulations Assessment

1.5 A Habitats Regulations Assessment (HRA) was produced for the policies in the Core Strategy, including Policy CS14 to which this SPD relates. As such, a separate HRA is not required.

## Definition of affordable housing

1.6 The definition of affordable housing is set out in the National Planning Policy Framework (NPPF)<sup>1</sup>. It is defined as housing for sale or rent, for those whose needs are not

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<sup>1</sup> [Annex 2: Glossary - National Planning Policy Framework - Guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/annex-2-glossary-national-planning-policy-framework)

met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

- **Affordable housing for rent** – meets all of the following conditions:
  - the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable);
  - the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and
  - it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
  
- **Starter homes** – is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
  
- **Discounted market sales housing** – is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households. There is further national planning guidance that outlines the provision of First Homes as a form of this type of housing provision<sup>2</sup>.
  
- **Other affordable routes to home ownership** – is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market

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<sup>2</sup> [First Homes - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

## 2 The need for affordable housing in Blackpool

2.1 Despite relatively low house prices and rents in Blackpool, affordability is a serious issue across the Borough because of the prevalence of households with very low incomes. Many of these low income households do not have the ability to save for a deposit or may not be able to obtain a mortgage.

2.2 Blackpool's inner area is characterised by an over-supply of small flats and Houses in Multiple Occupation (HMOs) for rent, which despite being easily accessible to people on low incomes through benefits payments, are often poor quality, undesirable, and unsuitable for many households. As a result, there is significant need and demand for a choice of quality affordable housing across the Borough.

2.3 It is therefore a priority for the Council, through its planning policies and wider housing strategy, to ensure there is an adequate supply of good quality affordable homes across the Borough, providing a choice of size, type and tenure that is suitable for family occupation in particular, and to help create mixed, balanced and stable communities. This is also evidenced in the [Blackpool Housing Affordability Study \(2019\)](#) which provides the most current requirements for affordable housing in the Borough.



Above: Affordable housing at Queens Park, Blackpool



### **3 Relevant planning policy, guidance and information**

3.1 The following section sets out the planning policy context which is relevant to the provision of affordable housing.

#### **National Planning Policy Framework (NPPF) (published July 2021)**

3.2 Section 5 recognises that to support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.

3.3 Paragraph 62 expects local authorities to identify the affordable housing needs in their area and develop appropriate planning policy to secure its provision.

3.4 Paragraph 63 states that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless: a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and b) the agreed approach contributes to the objective of creating mixed and balanced communities.

3.5 Paragraph 64 sets out that the provision of affordable housing should not be sought for residential developments that are not major developments. To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.

3.6 For major development for housing (i.e. all schemes of ten or more homes), paragraph 65 requires at least 10% of the total number of homes to be made available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or where such provision would exceed local requirements or prejudice the ability to meet the needs of specific groups. Additionally, exemptions should be made for Built-to-Rent homes; specialist accommodation; self-build schemes; and 100% affordable schemes, entry-level exception sites or rural exceptions sites.

#### **Blackpool Local Plan Part 1: Core Strategy 2012-2027 (adopted January 2016)**

3.7 The Core Strategy was adopted in 2016 and is a key planning document which sets out where new development such as housing, employment, retail and leisure should be located to meet Blackpool's future needs to 2027. The Strategy also identifies which areas

within Blackpool will be regenerated, protected or enhanced; and sets out key development principles, including design and affordable housing.

3.8 The vision in the Core Strategy includes the aspirations for Blackpool by 2027 to have *'.....created a more equal society with sustainable communities having fair access to quality jobs, housing, shopping, health, education, open space, sport and recreation. The housing stock has significantly improved with a range of new, high quality homes in attractive neighbourhoods attracting new residents who aspire to live by the sea. South Blackpool makes an important contribution to rebalancing the housing market and growing the Fylde Coast economy by providing improved choice in quality homes and jobs in sustainable locations to meet community needs and support regeneration.....'*

3.9 Four goals underpin the vision supported by a number of strategic objectives including of particular relevance to this proposal:

**Goal 2 - *Strengthen community wellbeing to create sustainable communities and reduce inequalities in Blackpool's most deprived areas:***

**Objective 10** - Meet residents' needs for affordable housing to provide people with a choice of homes they can afford in places they want to live

3.10 **Policy CS14** sets out the requirements for affordable housing in Blackpool and states:

1. *All market and specialist housing developments, including conversions, creating a net increase of three dwellings or more will be required to provide affordable housing (either on-site or off-site) or make a financial contribution towards affordable housing provision. Developments within the defined inner area are exempt from this requirement.*
2. *Affordable housing should normally be provided as follows:*
  - a) *Where developments would comprise 15 dwellings or more, or on sites of 0.5 hectares or more, the requirement is 30% of the total number of dwellings created. On-site provision will be sought where possible. Off-site provision, or a financial contribution of broadly equivalent value, will be considered instead of on-site provision where the site is unsuitable for affordable housing, or where this would be more effective in delivering affordable housing to support Blackpool's regeneration objectives;*
  - b) *Where developments are on sites less than 0.5 hectares and would comprise 3-14 dwellings, then a financial contribution towards off-site provision will be sought. This contribution level will be set out in the Affordable Housing Supplementary Planning Document (SPD), in accordance*

*with the most recent viability assessment and the latest government guidance;*

*c) Where the above requirements cannot be met in full as they would render a development unviable, and this has been robustly justified with the submission of a viability appraisal, then an alternative level of provision may be negotiated.*

3. *Where affordable housing units are being provided for in a development, they will be expected to deliver a mix of homes that meet current housing needs, of similar size and quality to equivalent market housing. The tenure mix will depend on the location of the site although the general requirement will be for a mix of social rented and intermediate housing for sale or for rent. Further guidance on dwelling size, type, design and tenure mix will be provided in the Affordable Housing SPD.*

4. *The Affordable Housing SPD will also provide guidance on the approach to:*

*a) Phasing*

*b) Ensuring Affordability*

*c) Calculating financial contributions*

3.11 The NPPF, in paragraph 64, states that affordable housing should not be sought from developments of nine units or fewer. This contrasts with Policy CS14 of the Core Strategy, adopted prior to this revision to the NPPF, which seeks a financial contribution from housing developments for 3-14 dwellings. The national policy requirement does not reflect the fact that Blackpool is overwhelmingly urban in nature with a compact built which results in a significant amount of new housing development being delivered on small sites. Since the start of the plan period at 2012-13, approximately 45% of gross housing completions from new builds and conversions have been on sites of 10 dwellings or less; with a further 5% being on sites of 11-15 dwellings meaning that approximately half of all the housing completions in the borough have been on sites below the 15 dwelling threshold.

3.12 Although the NPPF is a material consideration in the determination of planning applications and has been published more recently than the Core Strategy, the Core Strategy nevertheless forms the basis of the statutory Development Plan for the Blackpool area, in accordance with Section 38 (6) of the 2004 Planning and Compulsory Purchase Act and is therefore the primary consideration in the assessment of a planning proposal.

3.13 The evidence base to the Core Strategy makes it clear that, in order to meet the Borough's identified affordable housing needs, contributions towards provision must be sought as part of smaller developments. The requirements of Policy CS14 have been

subject to rigorous viability testing<sup>3</sup>. The Government's intention to remove affordable housing obligations from smaller schemes, as now set out in the NPPF, was known at the time the Core Strategy was tested through Examination in Public. Nevertheless, the Inspector considering the matter judged Policy CS14 to be justified and soundly based. The overall Core Strategy was found to be sound. As such and notwithstanding any apparent conflict with national guidance, Policy CS14 of the Core Strategy forms part of the Development Plan and carries full weight. It is the starting point against which affordable housing requirements will be assessed.

### Housing Requirement Technical Paper 2014

3.14 The Housing Requirement Technical Paper (June 2014)<sup>4</sup> informed the Council's adopted planning policies in the Core Strategy relating to housing delivery.

3.15 This technical paper took account of the Fylde Coast Strategic Housing Market Assessment (SHMA) published in February 2014 and updated later in 2014. It reviews the borough's objectively assessed housing need in terms of numbers, but also considers tenures, sizes and types, including affordable housing taking into account economic and demographic trends and projections.

3.16 With regard to affordable housing, the technical paper confirms a net annual Affordable Housing Need of 264 dwellings per annum based on the Housing Needs Assessment in the SHMA 2014. It is acknowledged that this target is unrealistic to deliver fully based on historic delivery rates. However, this does highlight the pressing need for affordable housing in the town. The document notes that, due to generally low house prices and restricted mortgage eligibility for many households, shared ownership options may not be viable for many providers. As such, social rented housing is likely to dominate affordable housing provision. Although the SHMA identifies a need for one-bedroom properties in Blackpool, the technical paper supports the need for family-sized affordable homes to balance the high-concentration of one-bedroom units within the town.

### Housing Strategy 2018 to 2023: Making Blackpool Better

3.17 The Council's Housing Strategy<sup>5</sup> has four priorities: new housing supply, improving the private rented sector, stabilising lives and increasing delivery capacity. The adoption of an Affordable Housing SPD is identified as one the outputs under the priority of new housing supply. The other priorities for housing delivery include working with developers

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<sup>3</sup> <https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/Local-plan-2021/Blackpool-LPVA-FINAL-JULY-2020-FOR-PUBLICATION.pdf>

<sup>4</sup> [EB003 Housing Requirement Technical Paper \(blackpool.gov.uk\)](#)

<sup>5</sup> [Housing Strategy 2018 \(blackpool.gov.uk\)](#)

to deliver more high quality housing, working with housing associations and developers to deliver more affordable housing, maximising delivery of new build council housing for market rent and maximising the delivery of new units developed from existing buildings through My Blackpool Home.

3.18 The evidence presented in the housing strategy shows that Blackpool's private rented sector is relatively more expensive than in other towns across Lancashire. This is despite house prices in Blackpool being significantly lower than in surrounding areas and reflects low wages and rents inflated by housing benefit. The strategy notes the challenges in delivery of better housing through the development of new homes because of the lack of developable land. In Blackpool there are a number of key vulnerable groups linked to housing provision: rough sleepers and the homeless, young children affected by transience, vulnerable young people, people in properties with poor heating and insulation; and people with long term support needs.

### Housing Affordability Study 2019

3.19 The Blackpool Affordability Study 2019<sup>6</sup> updates the SHMA 2014 confirming current requirements for affordable housing in Blackpool and provides evidence for the size and tenure of dwellings required as well as considering wider issues around affordability in Blackpool. The study adheres to the requirements of the new National Planning Policy Framework (NPPF 2018 current at the time of the Study) and the associated Planning Practice Guidance (PPG).

3.20 The evidence contained in the study builds on that contained within the Blackpool Local Plan Part 1 by providing more details on the affordable housing need as part of the overall need for 4,200 dwellings as well as more practical issues around the affordability of housing costs in Blackpool.

3.21 The study estimates that from the base year of the study - 2018 to the end of the plan period 2027 there is an affordable housing need for 210 dwellings per year, this is a decrease in need of 62 dwellings compared to that identified in the 2014 SHMA.<sup>7</sup>

### Blackpool Council Plan (2019-2024)

3.22 The Council Plan has two overarching aims: The economy: Maximise growth and opportunity across Blackpool and Communities: Creating stronger communities and

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<sup>6</sup> [Affordability Study 2019](#)

<sup>7</sup> [EB005--SHMA-Addendum \(blackpool.gov.uk\)](#) page 44

increasing resilience. Within this is the Council's aim to deliver hundreds more affordable homes and to enable further housing delivery through pro-active assistance to developers.

### Blackpool's Climate Emergency Action Plan

3.23 The Action Plan sets out a package of measures to help make the Council net zero by 2030 and to work towards achieving the same across the whole town. The actions around housing include building new council housing to the highest efficiency and pollution standards, raising standards of existing council housing and to raise the issue of energy efficiency standards in new housing with the Government. The Action Plan highlights that 16.3% of households, which is in excess of the national average, are fuel poverty which presents further challenges in the context of a low wage economy.

### Housing Topic Paper (2021)

3.24 The Housing Topic Paper<sup>8</sup> was published in January 2021 to support the submission of the Local Plan Part 2: Site Allocations and Development Management Policies. The Topic paper sets out the Council's housing delivery position since the Local Plan base date and the Council's housing supply position.

3.25 In terms of delivery of housing, the majority of houses delivered since the beginning of the plan period are on windfall sites, with the vast majority of these on small sites. Between 2012 and 2019, 852 of the 1,307 housing completions were on small sites. There is evidence to suggest this will continue and there is a windfall allowance of 100 homes per annum. Nine of the 29 Local Plan housing allocations are sites less than 15 dwellings, with four being marginally higher at 15-16 dwellings. Only three allocations are in excess of 100 dwellings which demonstrates the challenges of using Developer Contributions from housing sites.

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<sup>8</sup> [Housing-Topic-Paper-Final-accessible \(blackpool.gov.uk\)](https://www.blackpool.gov.uk/Planning-and-Development/Local-Plan-2021-2026/Housing-Topic-Paper-Final-accessible)

## 4 Affordable Housing Requirements

### What we will expect from on-site affordable housing provision

#### General requirements

- Where provision for affordable housing is to be made on-site, this should equate to 30% of the total number of dwellings created. For example, if 80 new homes were proposed, 24 of them would have to be made available on an affordable basis. Where 30% of the total does not equal a whole number, this will be rounded to the nearest whole number.
- Affordable housing must be made available for occupation on an affordable basis in perpetuity. An affordability statement must be submitted as part of any planning application for 15 dwellings or more explaining how this would be achieved. Compliance will be secured through condition.
- Affordable housing provision should be delivered at the same time as market housing and where delivery is to be phased, the affordable housing should be delivered in parallel with the market housing;
- Affordable housing provision within a development should be indistinguishable from market housing in terms of design, materials, parking provision and landscaping;
- Affordable housing provision should be integrated well into the development. This is necessary to avoid over-concentration in any one area, aid effective integration between market and affordable housing, and prevent the affordable housing provision from being easily distinguished from the market accommodation.
- Development within the defined inner area, as identified on the Local Plan Policies Map, is exempt from the requirement to provide an affordable housing contribution.

#### On-site affordable housing tenure mix

- 70% of new affordable housing provision should be let at Affordable Rent and 30% should be provided for Low Cost Home Ownership. This is the starting point for developers to plan the affordable housing provision within each development. The appropriate tenure mix for a particular site will also depend upon the needs in the surrounding area and the existing supply of affordable housing for rent and sale in the locality.

- The tenure mix also needs to take account of the mix of unit types in the development. For example, if the development is wholly of a unit type that is not in high demand for affordable rented housing, such as large flats, the tenure mix of the affordable homes may vary from the baseline to give more emphasis to affordable home ownership.
- All affordable housing tenures will be considered provided an appropriate overall balance is maintained between affordable rented homes (Affordable Rent and social rent) and affordable home ownership (Rent to Buy, Starter Homes, Discounted Market Sale, Shared Ownership, and Shared Equity).

#### **On-site affordable housing unit type mix**

- The mix of unit types (detached, semi-detached, terraces, apartments) and house sizes (bedroom numbers) provided as affordable housing should:
  - Reflect the housing mix of the wider development;
  - contribute towards a balanced stock of affordable housing in the wider area;
  - meet the latest identified needs for affordable housing provision in Blackpool. The greatest need is currently for family houses providing two or three bedrooms.

#### **Off-site provision on a linked site**

- An affordable housing requirement can be provided on another site - the 'linked site'. This could happen where the market housing site is unsuitable to deliver the type of affordable housing needed in that area due to size or configuration ; or where provision on a linked site would be more effective way to support regeneration and help rebalance the housing stock;
- The application for the linked site must be made concurrently with the application for the market housing site. The amount of affordable housing proposed on the linked site must be equivalent to 30% of the total amount of housing proposed when the market housing site and the affordable housing site are considered together. This requirement can be calculated as  $\frac{3}{7}$ <sup>ths</sup> of the total number of market houses proposed.



## When will we seek financial contributions?

4.1 Financial contributions will be sought from all developments in the following instances:

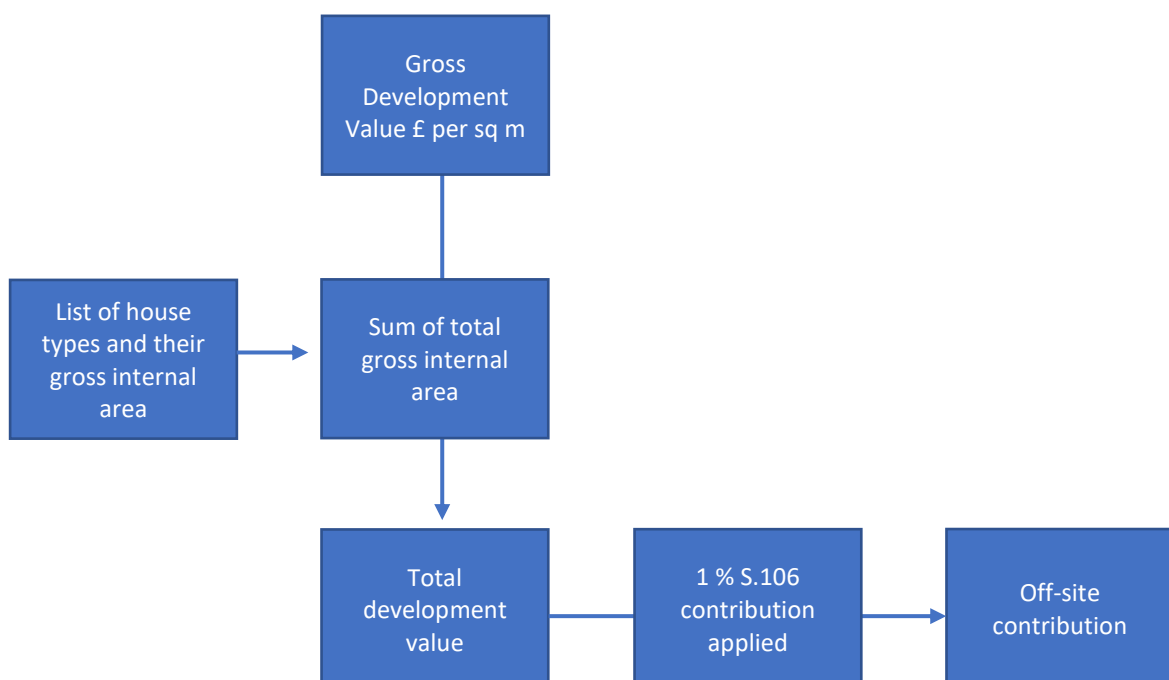
- Outside of the defined Inner Area where 3-14 dwellings are proposed.
- In circumstances outside of the defined Inner Area where 15 or more dwellings are proposed and affordable housing cannot be provided on site or linked site, as set out in paragraph 5.5; and
- Market schemes for the provision of housing designed to meet the specific needs of older people, people who are disabled, or anyone else with specialised housing needs.

## Level of financial contributions

### Proposals for 3-14 dwellings or sites of less than 0.5ha

4.2 Financial contributions will be sought equivalent to 1% of the mean end market values of the unit mix in the development proposed. This level of provision has been demonstrated to be viable and appropriate in Blackpool by the viability assessment which accompanies the Blackpool Local Plan Part 2: Site Allocations and Development Management Policies. The market value of a dwelling will be determined in accordance with the calculation below, undertaken by the applicant based on the open market value of the development. This will then be checked by the Council.

### Calculation to be applied:



4.3 Table 1 below sets out an example of the calculation to be applied. This uses an example figure of £2,000 per square metre for gross development value. This figure should be agreed with the Local Planning Authority prior to the financial calculation being carried out.

**Table 1: Example reference - market values to be used for the calculation of the financial contribution for affordable housing from schemes of 3-14 units (Blackpool in 2019 is £2,000/m<sup>2</sup>, equivalent to £186/ft<sup>2</sup>)**

Off-site Contribution Calculator							
Gross Development Value (£ per Sq m)		£2,000		Section 106 % contribution		1%	
House Type (e.g. 3 bedroom house)	Floorspace	Number of this unit	Total floorspace	Total Value			
2 bed apartment	61	3	183	£366,000			
2 bed house	79	2	158	£316,000			
3 bed house	93	3	279	£558,000			
4 bed house	97	2	194	£388,000			
<b>Total</b>	<b>330</b>	<b>10</b>	<b>814</b>	<b>£1,628,000</b>			
				Section 106 Contribution provided		£16,280	

**Proposals for 15+ dwellings or sites of 0.5ha or more**

4.4 On-site provision will be sought where possible but off-site provision or a financial contribution of broadly equivalent value will be accepted where the site is unsuitable for affordable housing or where this would be a more effective option to deliver affordable housing to support Blackpool’s regeneration objectives. Examples of such circumstances would include:

- Market housing schemes in areas that are already dominated by social housing;
- Where the form of market housing proposed doesn’t fit with the affordable housing that is required
- Proposals where the level of on-site affordable housing would be so limited as to either preclude effective integration of affordable homes around the site or would not be attractive to a registered provider on management grounds (evidence of this would be required).

4.5 Where provision is made by way of a financial contribution, this will be equivalent to the average costs of on-site provision. The financial contribution will be calculated in accordance with Table 2 below for 30% of each unit type delivered in the scheme. The mean market value to be used in the calculation should be agreed with the Local Planning Authority prior to the financial calculation being carried out.

**Table 2: Worked example of off-site financial contributions for schemes of 15 or more units (Mean market value for new developments in Blackpool in 2019 was assessed at £2,000/m<sup>2</sup>, equivalent to £186/ft<sup>2</sup> )**

Accommodation proposed	Mean market value (£) @ £2,000/m <sup>2</sup>	Value payable by an RP for Affordable Rent units / Discount from market value	Value payable by an RP for Shared Ownership units, including average 40% equity sales receipts / Discount from market value	Cost of provision (based on 70% AR/30% SO)* to be reflected in off-site contribution
One-bed apartment @ 50m <sup>2</sup>	100,000	71,000 / 29,000	76,000 / 24,000	27,500
Two-bed apartment @ 70m <sup>2</sup>	140,000	95,000 / 45,000	106,000 / 34,000	42,000
Two-bed house @ 79m <sup>2</sup>	158,000	100,000 / 58,000	120,000 / 38,000	52,000
Three-bed apartment @ 86m <sup>2</sup>	172,000	105,000 / 67,000	131,000 / 41,000	59,000
Three-bed house @ 93m <sup>2</sup>	186,000	110,000 / 76,000	141,000 / 45,000	67,000
Four-bed house @ 106m <sup>2</sup>	212,000	135,000 / 77,000	161,000 / 61,000	72,000

\*AR = Affordable rent, SO = Shared ownership

## Examples

- Example 1 - A scheme of 76 new houses is proposed outside of the defined Inner Area. The Council's affordable housing policy applies and so provision must be made at 30%. This equates to 22.8 units which is rounded up to a requirement for 23 affordable dwellings.

- Example 2 - A scheme of 64 new homes is proposed outside of the defined Inner Area. The Council's affordable housing policy applies but the applicant does not want to provide affordable housing on site. The applicant owns other land and the development of a 100% affordable housing scheme on this site would be an effective means of delivering affordable housing and supporting the Council's regeneration objectives. This is accepted as a solution. The level of provision on the 100% affordable site must equate to 30% of the total amount of housing provided on the affordable housing site and the market housing site combined, i.e.  $(3/7) \times 64 = 27$  units.
- Example 3 - A scheme of 25 new homes is proposed outside of the defined inner area. The Council's affordable housing policy applies but the site is in an area dominated by existing social housing. A financial contribution in this case towards delivery of affordable housing within the Defined Inner Area would be a better way for the Council to achieve its affordable housing provision and regeneration objectives. This is accepted as a solution. The scheme proposes 12 two-bed houses and 13 three-bed houses. A contribution equivalent to the costs of making 30% of the homes available for affordable housing is required, so the contributions in Table 2 are applied to 30% of each unit type in the scheme. The contribution calculated using Table 2 is £448,500 ( $30\% \times 12 \times £52,000 = £187,200$ ) + ( $30\% \times 13 \times £67,000 = £261,300$ ).
- Example 4 - A scheme of 10 flats is proposed outside of the defined inner area. In accordance with the Council's policy a financial contribution is required. The scheme proposes three two-bed flats, two three-bed flats, three three-bed houses and two four-bed houses and the figures in Table 1 are applied. A contribution equivalent to 1% of the gross development value of £1,628,000 would be £16,820.

## 5 Application Process

### Pre-Application Discussions

5.1 Due to the diverse range of potential housing sites and the variations in housing need across the Borough, no two sites will have the same affordable housing requirements. Consequently, developers are strongly advised to approach the Council prior to submitting formal proposals for residential developments. This will allow the specific circumstances of every site to be taken into account at an early stage and may avoid abortive work and expense. Developers are advised that a charging structure applies to pre-application discussions.

5.2 To give developers more confidence in preparing proposals and the Council more confidence in assessing proposals, it is recommended that applicants work with an Affordable Housing Provider who has detailed knowledge and experience of Blackpool. A list of our main partners and their contact details can be obtained from the Council's Housing Strategy Team:

[housing.strategy@blackpool.gov.uk](mailto:housing.strategy@blackpool.gov.uk)

### Submitting a Planning Application

5.3 The Council will expect all applications for housing developments which would be subject to an affordable housing requirement to be accompanied by an Affordable Housing Statement. This statement should set out the level of affordable housing or the financial contributions proposed, and explain how the developer proposes delivery. Where appropriate, either a draft Section 106 Agreement or a suggested Heads of Terms should be included to ensure transparency and enable a fully informed assessment of the scheme.

5.4 Where on-site affordable housing is proposed, the Council will expect to see this provision fully worked up as part of the submitted scheme. The Council will not be prepared to agree details of on-site affordable housing provision through condition where comparable details of proposed market housing, such as appearance or internal layout, have already been submitted as part of the application.

5.5 Where a developer proposes a level of affordable housing provision which is not in line with the requirements of this document, full and open viability appraisals and financial statements should be submitted.

## Viability

5.6 The requirements of this document have been viability tested and found to be reasonable. They are based on Policy CS14 of the Council's Core Strategy which has also been viability tested and accepted as appropriate through an Examination in Public. As such, compliance should not compromise the financial viability of a development project. However, it is recognised that exceptional circumstances can arise and that unforeseeable constraints and issues can present themselves during the development process.

5.7 Any proposal to deviate from the Council's published affordable housing requirements on financial viability grounds must be robustly evidenced through a viability assessment which includes open-book accounting and a detailed development appraisal. All financially sensitive information will be kept confidential. Where exceptional circumstances can be demonstrated, developers will be expected to provide as much affordable housing or financial contribution as can be achieved without compromising the viability of the scheme. There is a separate fee payable, in addition to the standard planning fee, for applications requiring a viability assessment. The fee is to cover the LPA's costs in appointing an independent professional to evaluate the assessment submitted. Price will be on application on a case by case basis.

