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# Affordable Housing Statement

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Land south of the A646, Hollins Cross Farm,  
Burnley

Full planning application for the erection of 200  
dwellings and associated works

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## 1. Introduction

### Background

- 1.1. This Affordable Housing Statement has been prepared by Savills (UK) Ltd on behalf of Prospect Homes (“the applicants”). This Statement is submitted in support of the full planning application made relating to land at Hollins Cross Farm, Burnley.
- 1.2. The description of development is:  
  
*“Full planning application for the erection of 200 dwellings and associated works.”*
- 1.3. This Statement confirms the position of the applicants in respect of their commitment to deliver affordable housing on-site, fully in line with National Policy requirements which are set out in detail later in this Statement.

### Affordable Housing in Burnley

- 1.4. The NPPF states that Local Plan policies should be set to meet affordable housing need on sites that are being developed for market housing, unless off-site provision or a financial contribution of broadly equivalent value can be justified and the agreed approach contributes to the objective of creating mixed and balanced communities. The NPPF assumes a need for affordable housing has been demonstrated and that sites are generally viable and sufficiently profitable to enable developers to provide affordable housing in addition to market housing. This is not necessarily the case in Burnley.
- 1.5. The NPPF approach of requiring private sector developers to provide a proportion of affordable housing on site, normally through a partnership with a Registered Provider, has been successful in Burnley in a number of cases within the inner urban areas, however this has generally required public sector subsidy. An alternative successful approach for the delivery of affordable housing in Burnley has been to work directly with Registered Providers to build houses on sites made available by the Council from its landholdings, or through compulsory purchase.
- 1.6. Due principally to viability considerations, the approach of requiring developers to contribute monies through a Section 106 agreement for off-site provision by a Registered Provider has rarely been successful in Burnley.
- 1.7. Affordable housing can also be acquired by Registered Providers to be upgraded or adapted e.g. to create larger family units, and this method of provision has made a significant contribution to affordable housing delivery in the borough in recent years.
- 1.8. As such, the Council have not outlined a specific strategy for affordable housing requirement with regards to the delivery of affordable dwellings across the Plan period.

## 2. Planning Policy

2.1. Section 38(6) of the Town and Country Planning and Compulsory Purchase Act 2004 places a statutory duty on local planning authorities to determine planning applications in accordance with the development plan unless material planning considerations indicate otherwise. Section 39 of the Act requires decision makers to exercise their functions with the objective of contributing to the achievement of sustainable development.

### The Development Plan

2.2. The Development Plan for Burnley in relation to this site comprises the Burnley Local Plan (adopted July 2018) which sets out the overall strategy for development in the District.

2.3. In relation to affordable housing, Policy HS2 of the Local Plan Strategy states that,

- “1) The Council will work with public and private sector partners to seek to ensure that there is a sufficient supply of good quality affordable housing, particularly in the areas of highest need by:*
- a) Supporting and facilitating the acquisition and adaptation of existing housing by registered providers;*
  - b) Working proactively with registered providers to identify sites and deliver schemes to provide affordable housing; and*
  - c) Requiring the provision of affordable housing through all housing developments of over 10 units, unless the applicant can demonstrate that a site, which would otherwise be supported by the policies in the Plan and meets the requirements of Policies SP4 and SP5, would not be viable with affordable housing provision on-site or off-site by way of a contribution.*
- 2) The exact amount of financial contribution/number and tenure of affordable units will be determined by economic viability having regard to individual site and market conditions.*
- 3) Any affordable housing required should be provided:*
- i. on-site where this can be achieved without compromising other important policy considerations or viability; or*
  - ii. off-site where on-site provision has been satisfactorily demonstrated not to be justified under i) and where it can be demonstrated that the contribution would facilitate the delivery of affordable housing of an appropriate type at a suitable policy-compliant site.*
- 4) All new affordable housing should be designed to minimise indications of its tenure in order to facilitate inclusive communities.*
- 5) Where affordable housing is being delivered, the Council will seek to ensure an appropriate tenure mix using the following percentages as a guide (and sizes and types as set out in Policy HS3).*

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- *Affordable Rent or Social Rent: 80%*
- *Intermediate tenure: 20%.*

2.4. Policy HS3 relates to Housing Density and confirms that new housing should make efficient use of land and be built at a density appropriate to its location and setting. It does not detail any specific recommendation in relation to the mix and density of affordable housing.

2.5. The Strategic Housing Market Assessment (SHMA) for Burnley and Pendle has not been updated since 2016 and therefore does not provide up to date evidence. The SHMA identifies the need to diversify the current stock away from terrace properties towards larger, more aspirational detached and semi-detached dwellings, and that in order to compete against wealthier housing markets nearby and stem the tide out of migration of more affluent residents development of higher quality 3-4 bed detached properties is required. It also recognises, however, that a balance must be struck between the need to provide more aspirational property types and the ability of residents to afford larger housing.

2.6. The SHMA confirms that:

*“Providing a mix of new housing types across the borough is essential. Whilst each site is assessed on its merits, taking into account its size, characteristics (including shape/landform) and context and townscape setting, as well as evidence of demand for the mix and type of dwellings it will be assessed against the proportions set out in Policy HS3 as informed by the recommendation of the SHMA so that each site contributes as appropriate to meeting the overall borough-wide mix”.*

## Supplementary Planning Document (SPD)

2.7. In December 2020 Burnley Council adopted a Supplementary Planning Document (SPD) relating to Developer Contributions. The SPD does not form part of the Development Plan, but builds on the policies set out within the Local Plan; specifically Policies IC4 (Infrastructure and Planning Contributions) and HS2 (Affordable Housing Provision).

2.8. The SPD sets out the requirements relating to infrastructure, education, health, biodiversity, affordable housing, highways, drainage, and open space. The document includes an affordable housing calculator for the purposes of off-site provision in lieu of on-site provision.

2.9. Whilst the majority of the SPD relates to financial contributions, the affordable homes are required to be delivered on-site unless not deemed to be preferable. The SPD is clear that whilst the NPPF seeks 10% of homes on sites of over 10 units to be delivered as affordable homes (as per the national definitions of affordable homes) the approach within Burnley differs.

2.10. The SPD therefore clarifies the position and sets out that:

*“Local Plan Policy HS2 deliberately seeks to avoid a rigid approach to the provision of affordable housing, in part due to the stage of flux of national policy at its time of drafting, but also as such an approach would not recognise the viability challenges present and could be at odds both with efforts to prioritise the development of brownfield sites and efforts to ensure the delivery of modern adaptable affordable homes to rent.”*

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- 2.11. The SPD however sets out at Table 2 (Indicative Contribution Ceilings and Affordable Housing %) that Allocation HS1/2 is expected to deliver 10% of homes as affordable homes on-site, at an assumed density of 25 dwellings per hectare and a house value (as at 2016) of £2,250 per square metre.

## National Planning Policy Framework

- 2.12. Paragraph 34 of the NPPF requires Plans to set out the contributions expected from development, including the levels and types of affordable housing provision required. Paragraph 65 states that where major development involving the provision of housing is proposed, planning policies and decision should expect at least 10% of dwellings to be delivered on site to be affordable.
- 2.13. Annex 2 of the National Planning Policy Framework defines affordable housing as ‘housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/ or is for essential local workers); and which complies with one or more of the following definitions:
- a. **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
  - b. **Starter Homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation and the time of plan- preparation or decision making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
  - c. **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
  - d. **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market values) 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.

## 3. Affordable Housing Provision

### Summary of proposal

- 3.1. The proposal consists of a full planning application for 200 dwellings at Hollins Cross Farm, Burnley.

### Affordable Housing Provision

#### Delivery of Affordable Housing

- 3.2. The proposal confirms that 10% of houses will be delivered as affordable i.e. 20 homes, providing an on-site contribution which is favoured by the Local Planning Authority.
- 3.3. The site is under the control of Prospect Homes and is allocated for residential development within the adopted Burnley Local Plan.
- 3.4. Prospect Homes is a wholly owned subsidiary of The Riverside Housing Group Limited. Prospect Homes' profits are gift aided back to The Riverside Group to fund a wide range of social purpose business, including affordable homes and care and community support services.
- 3.5. The freehold of the 20 proposed affordable dwellings will be retained by an Registered Provider to ensure a viable and deliverable scheme. The Registered Provider has not at this stage been confirmed.

#### Amount

- 3.6. Given that the Development Plan does not detail any specific policies at a local level, relating to affordable housing, the proposal will align with National Planning Policy Framework, which requires at least 10% of dwellings to be affordable.
- 3.7. The development includes the on-site provision of 20 dwellings, which equates to 10% of the total number of units to be delivered. The scheme is therefore fully compliant in respect of the delivery of affordable housing, in accordance with Paragraph 65 of the NPPF, which confirms that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of their total number of homes to be available for affordable home ownership.
- 3.8. The units will be a mix of 2 and 3 bedroom homes which are likely to be in greatest demand and offer flexibility in terms of number of occupants. Eleven of the units will be three-bedroom properties and nine will comprise two-bedroom homes. The property types will comprise semi-detached, two storey mews properties. There will be no provision of terrace housing as the SHMA identifies the need to diversify current stock away from terrace properties towards larger, more aspirational detached and semi-detached homes. This is considered to represent an appropriate range of properties in line with the Council's aspirations.

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## Site Layout:

- 3.9. The affordable units are well dispersed throughout the site and therefore the proposed development does not seek to provide affordable housing within a single area of the site. The affordable units will be located across the site to the northern, central and southern areas. The location of the affordable homes is shown on the supporting plan (ref: HCB-AHP01). Whilst there are small clusters of affordable properties (this is beneficial for management purposes), they are interspersed with market properties (commonly known as 'pepper-potting') across the site.

## Design:

- 3.10. The 20 affordable units comprise two different house types, which will add to the visual interest within the site and will also ensure that the development is tenure blind i.e. the affordable units are indistinguishable from the market housing by reason of their variety. This is also achieved through high quality design throughout the site which is in keeping with market housing, including commonality in respect of materials of construction.



## 4. Summary

- 4.1. This Statement has been prepared on behalf of Prospect Homes to detail the affordable housing provision within the proposed scheme for 200 dwellings on Land south of the A646, Hollins Cross Farm, Burnley.
- 4.2. As set out in detail above, the proposal will deliver 20 affordable homes, representing 10% of the total number of units. The proposals are therefore fully compliant with the NPPF as Burnley do not have a specific affordable housing requirement set out within Policy HS2 of their Local Plan.
- 4.3. The proposed units offer a broad mix of sizes (providing both 2 and 3 bedroom properties), house types (with two different styles) and tenures. Four of the properties will be Shared Ownership (representing c.20% of affordable units) and sixteen for Affordable Rent (c.80% affordable units). This is considered to represent an appropriate mix for the site. Furthermore, the affordable units are indivisible from market dwellings in design terms and are distributed across the site.
- 4.4. A Section 106 Agreement will ensure the units are retained as affordable homes in perpetuity and the freehold of the 20 proposed affordable dwellings will be retained by the Registered Provider to ensure a viable and deliverable scheme.
- 4.5. The provision of 20 affordable homes (i.e. 10% of all units) on-site is a material consideration which weighs heavily in favour of the proposed development. The affordable housing will contribute to creating a well-balanced community.

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