Housing and Economic Land Availability Assessment (HELAA) addendum – Update March 2024

This paper is an addendum to the HELAA September 2023. It is not a full update, it focusses only on the issues and sites where new or updated information was received in representations at the Regulation 19 stage. It should therefore be read alongside the HELAA (September 2023), it does not replace it.

The update provides further clarification and supplementary explanation about the following topics in the HELAA 2023 report:

a) Site size threshold
b) Windfall assumption
c) Sites in flood risk zones
d) The 10% buffer for non-delivery
e) Trajectory and site delivery

The Addendum also provides updates to Tables A and B site assessments for new sites submitted at Regulation 19 stage, or where updated landowner or delivery information was provided at Regulation 19 stage, or has been captured through the planning process such as a site gaining planning permission or starting construction. This is to ensure the site delivery information is as up to date as possible.

The maps showing all sites assessed have been updated to show the new sites (maps 1-3), and the maps of sites with development potential have also been updated accordingly (maps 4-6).

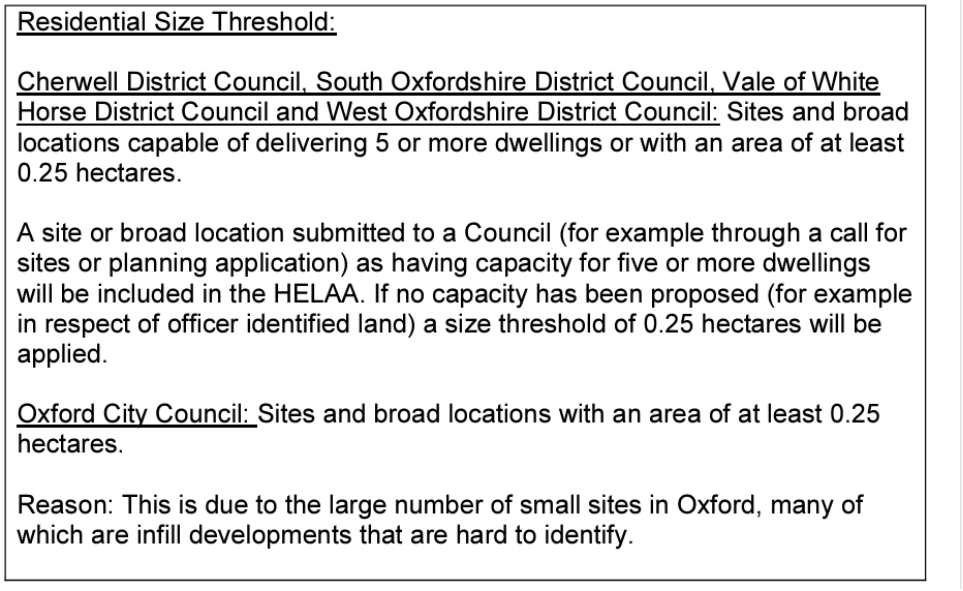
a) Site size threshold

The urban character of Oxford and the nature of sites in Oxford, means that sites of 5 or fewer dwellings inherently come forward as windfall because they tend to be conversions (e.g., splitting a residential house into separate flats, or converting office/storage space above retail units) or very small infill (e.g., 1 or 2 units. in a garden). These types of opportunities are so small in scale and opportunistic that they aren't the sort of development that landowners or small-scale builders would get involved in a HELAA for. Plus, the permissive approach of the policies in the Local Plan towards new residential, is such that there is unlikely to be the same impetus for landowners or agents to try to get their site allocated or included in a capacity assessment, because the principal of new residential development is typically supported anyway.

If the HELAA were to include sites of 5-10 dwellings, then the main data source would instead be those sites with planning permission or planning applications. More importantly, small sites with planning permission are already counted within the capacity figure ("small sites contribution") or captured by the windfall allowance (calculated based on previous years trends for completions on sites of less than 10 dwellings), which is also factored into the capacity calculations. Indeed, if the threshold for assessing sites in the HELAA were to be reduced to 5 then those two inputs into the capacity calculations would need to be reduced correspondingly in order that the contribution from those sites is not double counted. So, adjusting the site size threshold is unlikely to have a significant effect on the total capacity figure.

A further consideration is that the site size threshold was discussed between the Oxfordshire authorities at the time of agreeing the Oxfordshire Joint Housing and Economic Land Availability Assessment Methodology (November 2021), and the specific nature of sites in Oxford was discussed in that context.

As such the Joint Methodology notes the circumstances in Oxford merit a different approach (page 5 of Joint Methodology).



Residential Size Threshold:

Cherwell District Council, South Oxfordshire District Council, Vale of White Horse District Council and West Oxfordshire District Council: Sites and broad locations capable of delivering 5 or more dwellings or with an area of at least 0.25 hectares.

A site or broad location submitted to a Council (for example through a call for sites or planning application) as having capacity for five or more dwellings will be included in the HELAA. If no capacity has been proposed (for example in respect of officer identified land) a size threshold of 0.25 hectares will be applied.

Oxford City Council: Sites and broad locations with an area of at least 0.25 hectares.

Reason: This is due to the large number of small sites in Oxford, many of which are infill developments that are hard to identify.

Figure 1 - Extract from Oxfordshire Joint Methodology, 2021

For these reasons, the 10 dwellings/0.25ha site size threshold is appropriate for residential sites, alongside including the small sites contribution in the overall capacity calculations, and the windfall assumption. Together these provide a robust methodology.

Further explanation about the site size threshold is also set out in section 2.1 of the HELAA (September 2023).

b) Windfall assumption

The calculation of capacity for the plan period, includes a windfall assumption of 116 dwellings per year for years 2026/27 onwards (i.e. for 14 of the 20 years).

Windfall is not applicable to years 2020/21-2022/23 because actual completion figures are applied to those years. Windfall is also not applied to years 2023/24-2025/26 because a minor commitments figure is applied in those years: the small sites supply has been calculated from planning permissions data, rather than applying an estimated windfall assumption, so the data is more accurate.

The windfall assumption is calculated from taking the average number of completions from minor sites (sites 1-9 dwellings) over recent years. There is, as would be expected, some fluctuation from year to year, which is why an average across the years is taken. The fluctuation is from as high as 258 to as low as 49, but these are very much outliers, with a more common annual windfall amount being closer to the 116 average calculation.

Analysis about the type of sites and developments which make up the small sites completions has also been undertaken, in order to test whether it is reasonable to assume that the averaged figure is likely to continue to be delivered going forwards. The testing also takes into account policy changes which might influence the supply of small sites/windfall developments, or whether there has been any marked

change in small sites coming forward in response to past policy changes. For example, these include known changes to permitted development rights and change of use legislation, such as office to residential (B56 applications).

A further test is to see how the windfall assumption aligns with the minor commitments figures, as an indication of the level of small sites being delivered so far in the early part of the plan period. At the time of calculating the windfall, the minor commitments for three years 2023-2026 were 97, 96, 96, which is within proximity to a windfall calculation of 116 per year. As such the windfall assumption of 116 is reasonable.

Further explanation about how the windfall is calculated is also set out in section 2.3 of the HELAA (September 2023).

c) Sites in flood risk zones

The HELAA and the OLP2040 apply a bespoke approach to flood zone 3 which has been developed in partnership with the Environment Agency for the Oxford Local Plan in order to allow very careful redevelopment of brownfield sites in FZ3b and avoid sterilising them. This approach is a pragmatic response to the specific circumstances in Oxford to avoid sterilising sites in FZ3b.

The approach was developed as a policy approach for OLP2036 and in agreement with the Environment Agency has been carried forward to LP2040, policy G7 with some refinement. Specifically, the LP2040 also sets out that development should not result in an increase in flood risk vulnerability classification within Flood Zone 3b. This is supported by an up-to-date SFRA. The Oxford Flood Alleviation Scheme (OFAS) is considered to be a flood defence for up to up to a 1 in 50-year flood event. It does not "improve protection" of land for planning purposes as for planning purposes. This is because the undefended levels need to be considered when assessing any planning application (i.e. without the OFAS). This is because the OFAS is considered to be a flood defence for planning purposes. Its purpose is to improve the flood risk situation for existing businesses and residential properties. The Environment Agency has always been very clear about this, and this position is reflected in the assessment of sites in the HELAA to be consistent with the Environment Agency advice and the NPPF.

Further explanation about the approach to sites in flood zones is also set out in section 2.1 of the HELAA (September 2023).

d) 10% non-implementation discount for non-delivery

A 10% non-implementation discount is applied in the HELAA calculation of capacity, to account for the risk of non-implementation of sites. This has only been applied to sites identified in Table B of the HELAA that have yet to commence. The discount has not been applied to the windfall calculation, to minor commitments, or to sites that are either currently under construction or have already completed within the plan period.

The reasons for the discount reflect the nature of the supply of sites in Oxford, and are important to ensure that the capacity-derived housing requirement figure is robust, realistic and reflects local circumstances.

Without a buffer, there would be an assumption that every single site will come forward, and at the assumed timescale. Care has been taken to understand landowner intentions regarding bringing forward their sites and to ensure this understanding is up to date as possible. However, inevitably, there are a lot of unpredictable factors that could undermine delivery of sites. These are particularly heightened in the context of Oxford, something which was recognised during the preparation and examination of the previous Local Plan 2036. It is not considered a sensible or sound approach to ignore that and put forward a capacity that relies on every anticipated site being delivered and to time.

Factors in Oxford which may lead to lower rates of delivery of sites include: changes in financial conditions, generally or of a particular landowner; changes in a landowner's priorities or needs; lack of alternative sites to meet operational needs; or unforeseen difficulties with bringing forward a site.

The profile of sites in Oxford is that many sites are small; therefore, relative to the plan period's overall capacity, there are many sites needed to achieve the identified capacity. The indications are that for smaller sites, the rewards are less likely to match the time and effort needed to bring them forward, so there may be greater risk of them not being delivered (compared to larger sites), meaning there is potentially greater risk of the factors described above affecting site delivery in Oxford. For example, there is less flexibility in budgets to respond to unexpected costs or changed site circumstances.

We also know from engaging with landowners, that many of the key landowners in Oxford have clear priorities other than delivering sites for housing and economic uses. For example, it is anticipated that housing will be brought forward on hospital sites during the plan period, but the priority of the Health Trusts will always remain their key health care functions.

Another factor is the competing market demands for sites in Oxford, which means that residential use is not always the most attractive option for landowners in terms of viability. This is particularly evident in recent years where values for R&D space have outstripped residential values, which may be a factor in some landowners now saying they no longer intend to develop those sites for residential in OLP2040, even those with site allocations in OLP2036. The Local Plan must also factor in a response to this position of the market and set of circumstances.

There are also sites where availability is subject to an alternative site being found, with quite specific operational requirements, so in the context of a general lack of land availability in Oxford it means that releasing the site for residential development is even more challenging. Those sites, for example, Cowley Marsh Depot are included in Table B to reflect that there is landowner intention with delivery assumed as right at the end of the plan period.

As demonstrated above, this somewhat unique to Oxford combination of reasons means that it is appropriate, proportionate and reasonable to apply a discount for non-implementation of sites, to reflect those uncertainties and in recognition that some sites identified in Table B may not be delivered within the plan period.

An additional factor is that those same characteristics of Oxford contribute to having a fairly high contribution of windfall sites (as explained above) which are accounted for in the capacity calculations

for the plan. However, all of these elements of the land supply in Oxford are interrelated so it is important to look at the whole picture.

The discount is set to 10%, which reflects the assumptions applied in the OLP2036 and tested at Local Plan examination. To put this in context, across the 47 sites in HELAA Table B which have not been completed yet (or commenced), the average capacity is 88 units (4,113 in total). A 10% discount represents 411 units (or equivalent to about 5 average potential sites). This is a very reasonable assumption. The evidence indicates that the approach remains relevant and proportionate in a constrained city with a capacity-based housing requirement, as established at the Examination for LP2036 in 2019/20.

It should also be noted that the non-implementation discount has a different purpose and meaning to the buffer that is applied in housing land supply calculations; the two considerations do not have the same function and neither do they need to necessarily be set at the same percentage value. The discount on the capacity calculations is to ensure that the housing requirement figure is actually achievable. Whereas the buffer described in the former Planning Practice Guidance Methodology for calculating housing land supply[1], that all authorities were required to apply to calculations, was intended to promote choice and competition, and to ensure that there is a reasonable prospect of achieving the planning housing supply.

Update of planning status to sites in Table B since 2023 HELAA

Some of the sites contributing to the capacity calculations in Table B have progressed since the 2023 HELAA was undertaken as follows, so these have been updated to reflect any adjustment to the assumed capacity of the site (if planning consent then the capacity figure from the permission is applied in the HELAA, superseding minimum figures in site allocation policies). The delivery timelines have also been updated to reflect where consent has been issued, and/or construction has commenced. Those updates also result in adjustments to the non-implementation discount because sites under construction are excluded from the discount.

HELAA reference	Site name	Planning status change
009	Blackbird Leys Central Area	Consent issued and construction commenced
052	Railway Lane, Littlemore	Consent issued
098	Workshops Lanham Way	Construction commenced
593	Knights Road	Consent issued

Summary of development potential – updated to March 2024

This Addendum to the 2023 HELAA, brings the total sites assessed in Table A to 492.

[1] https://webarchive.nationalarchives.gov.uk/ukgwa/20240103211113/https://www.gov.uk/guidance/housing-supply-and-delivery#calculating

The housing capacity from sites identified as suitable, available and achievable, and capable of delivering 10+ net dwellings is 6,613 (Table B identified capacity 2020-2040). A 10% non-implementation discount is then applied to this figure to account for potential non-delivery of identified sites.

Calculation of the non-implementation discount:

A	Commitments in Table B	6,613
B	Sites where construction has commenced	1,574
C	Sites not commenced, (A-B)	5,039
D	10% non-implementation buffer applied to (C)	504
E	Sites not commenced with 10% buffer applied (C-D)	4,535
F	Capacity from commitments in Table B (including 10% discount on non-commenced sites) (B + E)	6,109

Table B also lists completions for the 2020/21-2022/23 monitoring years ie. completions within the LP2040 plan period from sites in Table B. At the time of writing (March 2024) it is not yet possible to update the completions contribution to the supply to include 2023/24 data because that monitoring period does not end until 31 March 2024.

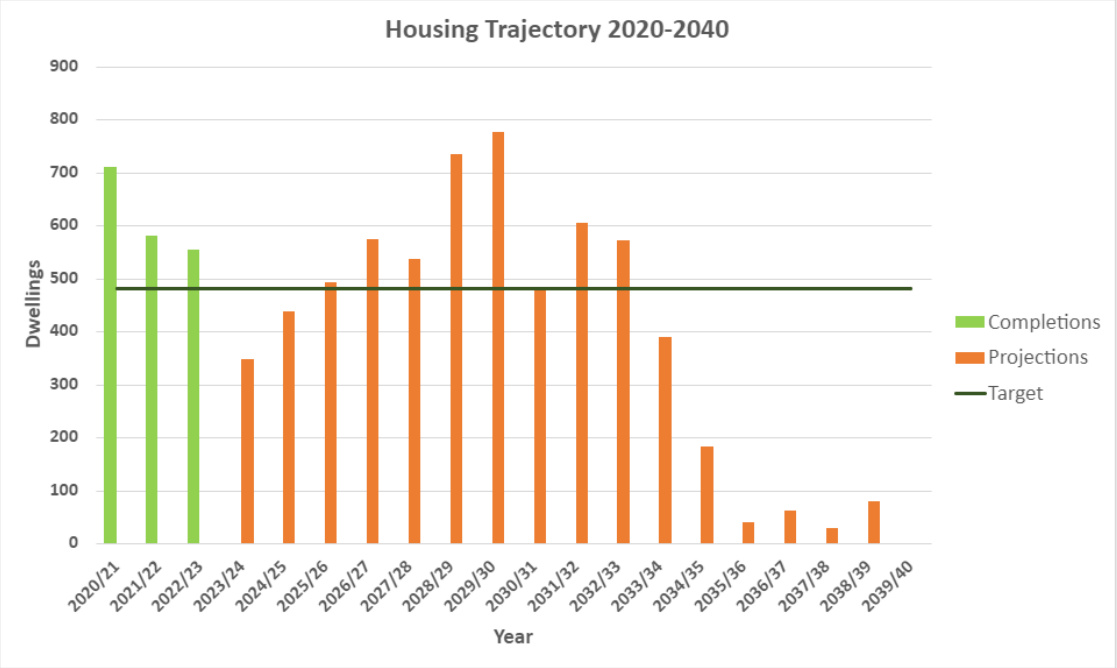
There is also a contribution to the housing supply from minor commitments (small sites of less than 10 dwellings, with planning permission) of 272. A windfall assumption of 116dpa has also been applied each year from 2026/27 to 2039/40.

The total supply identified for 2020-2040 is therefore **9,851** dwellings for the local plan period 2020-2040 (including a 10% non-implementation discount).

3 years completions within the plan period (majors and minors 2020/21, 2021/22, 2022/23)	1,846	Unchanged
HELAA Table B sites (major commitments and proposed OLP2040 site allocations, including 10% buffer on non-commenced sites)	6,109	Updated planning status' and non-implementation buffer
Minor commitments total (2023/24, 2024/25, 2025/26)	272	Unchanged
Windfall (116 x 14 years (2026/27-2039/40))	1,624	Unchanged
Total capacity 2020-2040	**9,851**	**Updated**

Table B also sets out approximate delivery timescales for the identified capacity, in five-year timescales. A more detailed trajectory showing annualised expected rates of delivery is also provided below and in Policy H1.

Housing trajectory for 2020 – 2040



Whilst the trajectory indicates that projected completions are likely to fall short of the annual target set in Policy H1 of OLP2040 481dpa, there is also development in the pipeline which is likely to result in the target being exceeded in some years. It is normal for annual rates of delivery to fluctuate in Oxford because of the nature of sites making up the housing land supply, as explained earlier in this paper, and as illustrated in monitoring data which shows previous years' completions rates varying.

The projected supply reflects the nature of sites in Oxford, with many small sites making up the supply then landowners typically either do not look that far ahead, or sites are opportunistic and are not known about at this point 10-15 years ahead. Also, the land supply market in Oxford varies with R&D values currently greater than residential values, but historically it has been residential and student accommodation achieving the greatest values (which contributed to previous peaks in completions in 2019/20 and 2020/21 with large speculative student accommodation schemes being delivered) and that situation could switch back again. Closer to the time, more up to date information would be available from landowners, planning permissions in place, and site allocations in future local plans, which will all improve the housing land supply situation for those latter years.

Appendices

Table A updated to March 2024

See attached

Table B updated to March 2024

See attached

Table C updated to March 2024

See attached

Maps 1-3 all sites assessed in HELAA – updated to March 2024

See attached All Sites 1, All Sites 2, All Sites 3

Maps 4-6 all sites with development potential updated to March 2024

See attached Sites with Development Potential maps 1, 2, 3.