

Oxford Local Plan 2040

Examination

Initial Hearings

Statement by Oxfordshire County Council

Matter 3 – Housing need and the housing requirement

Wednesday 12 June 2024 and Thursday 13 June 2024

Issue: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to housing need and the housing requirement.

Questions:

The HENA and housing need

1. Why does the HENA seek to assess the housing need for Oxfordshire and all of the individual authorities? Is this justified?
2. How does the HENA arrive at the four scenarios for housing need? What evidence sources and assumptions are used? Are these appropriate and justified?
3. What is the basis for choosing the CE Baseline scenario and departing from the standard method scenario? Is this justified?
4. What is the basis for choosing the apportionment between authorities based on the distribution of forecast jobs? Is this justified?
5. What are the objectives of identifying a housing need of 1,322 homes per annum (26,440 over the plan period) for Oxford City and what are the intended outcomes?

Capacity within Oxford City and the resultant housing requirement

6. How has the capacity to accommodate housing within Oxford City been assessed? Has the process been sufficiently thorough and robust? Could the capacity estimate be increased by altering assumptions or policy approaches? If so, what effect would this have?
7. Is it appropriate to set the housing requirement to exactly match the identified capacity (notwithstanding the use of some discounting)? What implications would this have for future

assessments of housing land supply? Should more flexibility be built in between the requirement and the estimate of capacity?

Unmet housing need

8. How and where is it intended to meet the unmet need of 841 homes per annum (16,828 over the plan period)?
9. What agreements are in place to do this and what is the position of other authorities, including in relation to continuing commitments in existing adopted Local Plans?
10. How do housing requirements in adopted Local Plans in other authorities compare with standard method calculations of housing need?
11. Will the full unmet need realistically be delivered by other authorities?
12. What are the implications for emerging Local Plans in these authorities?
13. How would delivering unmet need in other authorities achieve the objectives and outcomes intended, for example in terms of commuting and addressing affordable housing needs in Oxford City?
14. If Oxford City's housing need was calculated using the standard method, what would be the implications for the scale of unmet need and the potential for it to be met by other authorities?

Response:

Q1. Why does the HENA seek to assess the housing need for Oxfordshire and all of the individual authorities? Is this justified?

1. Oxfordshire County Council understands that the HENA assessed housing need at an Oxfordshire level because the consultant methodology is based on larger areas, known as housing market areas and economic market areas. The HENA was commissioned by only two of the Councils in Oxfordshire (Oxford City and Cherwell District) and although all the Councils have historically worked together cooperatively, with the demise of the Oxfordshire Plan 2050, this is not an agreed evidence document between all the relevant authorities. Ideally, evidence would be jointly commissioned by all authorities so that methodologies and scenarios could be agreed. We recognise that housing need is a cross-boundary issue, but we think it should be clear that while a housing need figure for Oxford may be determined through this Examination, it will be for each District to determine its own housing need figure through their Local Plan evidence and examinations, and consider making agreements so that unmet need is accommodated where it is practical to do so and consistent with achieving sustainable development.
2. We note that all councils have formally adopted a shared Strategic Vision for the county and they work together through the Future Oxfordshire Partnership and in other ways to address future housing and economic needs.

Q2. How does the HENA arrive at the four scenarios for housing need? What evidence sources and assumptions are used? Are these appropriate and justified?

3. The four scenarios in the HENA are Standard Method, Cambridge Econometrics baseline trend, Census-adjusted Standard Method and Economic Development. There is some similarity with the Oxfordshire Growth Needs Assessment (OGNA) which was produced

by the same consultants to help with the production of an Oxfordshire Plan 2050; those three scenarios were the Standard Method, Business as Usual, and Transformational. The OGNA work was ultimately not agreed, there was a lot of concern voiced by the public over high housing projections, and a decision was made not to proceed with the Oxfordshire Plan 2050 in August 2022 because the councils were unable to reach agreement on the approach to planning for future housing needs within that plan making framework.

4. Government guidance suggests using the Standard Method unless there are exceptional circumstances, and in this case the Standard Method produces the lowest figures of any of the scenarios identified. Scenarios with higher or lower figures than the Standard Method may be identified where there are exceptional circumstances. Given that the Oxford Local Plan 2036, adopted in 2020, found sound an overall housing need of 1,400 dwellings per annum, it is understandable that no scenarios were included with lower figures than that produced by the Standard Method of 762 dwellings per annum.

Q3. What is the basis for choosing the CE Baseline scenario and departing from the standard method scenario? Is this justified?

5. We understand that the City Council chose the CE Baseline scenario partly because the Standard Method was seen to be based on old 2011 census data and 2014 population projections, the Census-Adjusted Standard Method scenario was not favoured as the census releases were not complete, and the Economic Development scenario was seen as being based on uncertain high levels of development.
6. The Oxfordshire Housing and Growth Deal agreed with the government in 2017 is coming to an end. The Housing and Growth Deal recognised that the costs associated with growth could not all be met locally, and the deal was that Oxfordshire would provide for higher levels of growth in the Local Plans at the time in exchange for additional government funding. Oxfordshire County Council is concerned about providing for higher levels of growth further into the future in this new round of Local Plans without suitable funding to address the infrastructure costs.
7. Although there is clearly significant pressure for more housing to be built, and a problem with the high prices of houses and limited stock of affordable housing, it is not clear that this amounts to exceptional circumstances for departing from the Standard Method, at least not to the extent proposed in this submitted Oxford Local Plan. The Standard Method figure is 762 homes per annum (15,240 homes) whereas the proposed figure is almost double at 1,322 homes per annum (26,440 homes). It is the case that Oxford City Council is asking for a requirement of only some 493 homes per annum within their boundaries (9,851 homes) so whatever the assessment is, the key effect of a higher

housing need figure in the Oxford Local Plan will be on how the District Councils respond to the unmet need calculations in their forthcoming Local Plans.

Q4. What is the basis for choosing the apportionment between authorities based on the distribution of forecast jobs? Is this justified?

8. Choosing to apportion the county-wide figures by forecast jobs results in a different apportionment between the city and districts than if using the Standard Method. Our understanding of the proportions is shown in Table 1.

	Standard Method		CE Baseline Trend	
	Distribution	Need figure per annum	Employment Based Distribution	Need figure per annum
Oxfordshire	100%	3,275	100%	4,406
Cherwell	21.7%	710	22.9%	1,009
Oxford City	23.2%	762	30%	1,322
South Oxfordshire	18.5%	605	18%	793
Vale of White Horse	19.2%	628	16.2%	714
West Oxfordshire	17.4%	570	12.8%	564

9. If a distribution similar to that resulting from the Standard Method was used, there would be less future housing need in Oxfordshire attributed to Oxford (and therefore a lower figure of unmet housing need). Even if the Standard Method itself is not used (and instead there is a higher housing need identified), if the proportion of an Oxfordshire figure for Oxford City was around 23% rather than the 30% proposed, that would make a considerable difference.

10. Oxford City is the centre of much employment in the County. The County Council wants to see priority to housing on development sites in Oxford, but we recognise that there are many sites where redevelopment or intensification for employment is likely to be the best and most efficient use. We would be concerned if the future prosperity of Oxfordshire as a dynamic area for economic growth could not be realised because of an argument that employment growth shouldn't happen in the city because of the way housing need is calculated.

Q5, Q6 and Q7.

11. We have no further comment in addition to our published responses.

Q8. How and where is it intended to meet the unmet need of 841 homes per annum (16,828 over the plan period)?

12. We note that the latest figure produced by the City Council (in CSD-009-H1) results in an unmet need of 829.5 per annum (16,589 over the plan period).

13. The submitted Oxford Local Plan 2040 is silent on precisely where the unmet need will be located. We think it is correct that the Oxford Local Plan does not have policy about that, as site allocations outside of the City's boundaries need to be considered as part of those other Local Plan processes. Oxfordshire County Council seeks in respect of all Local Plans that all site allocations are well located in relation to the people they are intended to accommodate. Oxfordshire County Council's Local Transport and Connectivity Plan, adopted in July 2022, is to be achieved by reducing the need to travel, discouraging individual private vehicle journeys and making walking, cycling, public and shared transport the natural first choice. Therefore, Oxford's unmet housing need should be met on sites close to Oxford, either with good existing walking, cycling and public transport links, or the ability to provide such links funded from development. We recognise the argument that sites further from Oxford with good public transport links, e.g. in Bicester or Didcot, may be attractive to those working in Oxford, but we think, given that it is much less expensive and more flexible to walk or cycle, that calculated unmet need housing numbers should be met in identified areas close to Oxford.

Q9. What agreements are in place to do this and what is the position of other authorities, including in relation to continuing commitments in existing adopted Local Plans?

14. Document CSD-009-H1 proposes a modification to make it clear that extant Local Plans include provision for 14,300 dwellings to meet Oxford's previously identified unmet need. Table 2 below shows this.

Cherwell	4,400 to be supplied 2021-2031
South Oxfordshire	4,950 to be supplied 2021-2035
Vale of White Horse	2,200 to be supplied 2019-2031
West Oxfordshire	2,750 to be supplied 2021-2031
Total	14,300

15. The District monitoring reports vary in how they identify the completions for Oxford's unmet need each year. In Vale of White Horse District completions might have happened

since 2019 and in the other Districts since 2021. However, in some cases there have been no relevant completions. Table 3 below indicates our Oxfordshire County Council understanding of this.

Table 3: Allocated sites which are close to Oxford, allocated housing numbers and completions	
District site	Allocated housing number
<p><u>Cherwell</u></p> <p>The sites below were specifically allocated in the Local Plan Partial Review, adopted in 2020, to address Oxford's unmet need. All these sites require 50% affordable housing.</p>	
PR6a East of Oxford Rd	690
PR6b West of Oxford Rd	670
PR7a South East of Kidlington	430
PR7b At Stratfield Farm	120
PR8 East of the A44	1950
PR9 West of Yarnton	540
<p>Total</p> <p>There are no completions to date on the sites above.</p>	4,400 (same as requirement)
<p><u>South Oxfordshire</u></p> <p>No sites for Oxford's unmet need were specifically identified in the Local Plan, adopted in 2020, but the three sites below are the only ones that require 50% affordable housing, in recognition of their location adjoining Oxford.</p>	
North of Bayswater Brook	1,100
Northfield	1,800
South of Grenoble Road	3,000
<p>Total</p> <p>South Oxfordshire District completion numbers are across the whole District, so completion numbers will have been met.</p>	5,900 (950 more than requirement)
<u>Vale of White Horse</u>	

The Local Plan Part 2, adopted in 2019, refers to providing sites in the Abingdon and Oxford Fringe Sub-Area for Oxford's unmet need. This would include the allocated sites below as well as others further from Oxford in Marcham, East Hanney and Kingston Bagpuize. These sites require 35% affordable housing. We understand there is a separate agreement to identify 1,100 affordable homes for Oxford's unmet need.	
North Abingdon	800
North West Abingdon	200
Dalton Barracks	1,200
South Kennington	270
North West Radley	240
Total	2,710
Sufficient completions have been made in the Abingdon and Oxford Sub-Area, so completion numbers will have been met.	(510 more than requirement)
<u>West Oxfordshire</u>	
The Local Plan, adopted in 2018, records that 550 homes out of the 1,000-house allocation at West of Eynsham and all 2,200 homes at the Garden Village are identified for Oxford's unmet need. These sites and some others in high value areas of the District require 50% affordable housing.	
West of Eynsham	550 (out of 1,000)
Salt Cross Garden Village	2,200
Total	2,750 (same as requirement)
There have been some completions to date at West of Eynsham, but these are understood not to have been part of the number accorded to Oxford's unmet need.	

16. The statements of common ground with the Districts indicate what agreements are in place to address unmet need. It is our understanding that all authorities are intending to continue the agreement for 14,300 houses. Given that Vale of White Horse District agreed to provide unmet need from 2019, it may be that one year of completions in that District was provided prior to the start of the Oxford City plan period in 2020 i.e. 135 houses. Table 4 sets out the unmet need figures as we understand them.

Table 4: Oxford unmet need housing figures	
Assessed unmet need in CSD-009-H1	16,589 (at Regulation 19 stage 16,828)
Adopted Local Plans unmet need agreements	14,300

Unmet need completions prior to 2020	135 (in Vale of White Horse)
Currently agreed provision for unmet need	14,165 (14,300 minus 135)
Resulting additional unmet need calculation	2,464 (16,589 minus 14,165)

17. There is a good chance that a further 2,464 additional homes could be built in addition to the allocated housing numbers on the already allocated sites listed in Table 3. This is because: the allocation numbers of the three listed sites in South Oxfordshire exceed their unmet need requirement; the allocation numbers of the listed sites in Vale of White Horse exceed their unmet need requirement; and there is more capacity on some sites than the allocations indicate.

18. The complications associated with having a high Oxford unmet need figure should not be underestimated. If additional site allocations are proposed close to Oxford in the District Local Plans, it is likely that those sites would need to be removed from the Green Belt, which will be controversial and should only be done in exceptional circumstances. Secondly, there could be specific locational issues (e.g. floodplains or surface water flooding) as the research done around 2016 as part of the Post SHMA strategic work programme identified few other sites without significant constraints from those which were subsequently allocated in the now adopted Local Plans. Sites close to Oxford are affected by concerns about air quality in relation to the Special Area of Conservation at Port Meadow and sewerage capacity given that upgrades to Thames Water's Oxford sewage treatment works currently await a timetable. Oxfordshire County Council would also raise issues specific to its responsibilities: for example in relation to traffic capacity, provision for active travel, school places and public health, which may be difficult or expensive to resolve in areas close to Oxford. It is worth noting that the County Council's policy positions have evolved since the Post SHMA work in 2016, for example with the Local Transport and Connectivity Plan adopted in 2022 which has a vision for an inclusive and safe net-zero transport system.

Q10, Q11, and Q12

19. The local planning authorities will provide this information.

Q13 How would delivering unmet need in other authorities achieve the objectives and outcomes intended, for example in terms of commuting and addressing affordable housing needs in Oxford City?

20. It is by no means certain that delivering housing to meet unmet need figures in the districts will successfully provide for the specific needs of Oxford City. Obviously, the market houses will be available to whoever wishes to buy them, and some of those owners will not work in Oxford. While there is potential for more control over the

affordable housing component, there remain issues as to the type of affordable houses agreed as planning obligations in respect of individual planning applications. Oxford City Council is likely to be more successful in achieving its desired affordable housing obligations within its own boundaries than when negotiating in respect of applications on sites outside of its boundaries. However, delivering additional housing to specifically address an unmet need figure, will at least meet the objective of increasing housing supply.

14. If Oxford City's housing need was calculated using the standard method, what would be the implications for the scale of unmet need and the potential for it to be met by other authorities?

21. If Oxford City's housing need was instead calculated using the Standard Method, the housing need number would be 15,240 (762 per annum). If Oxford City Council has a requirement to provide for 9,851 homes within its boundaries (493 per annum) as requested in CSD-009-H1, then there would be an unmet need of 5,389 homes (269 per annum). Given the current agreement to provide 14,300 houses for Oxford outside of its boundaries, if the Standard Method is used, we would assume that the Districts would seek that some of the future houses on allocated sites be reclassified as meeting the local needs in each of the Districts.