

## Hearings Note 2: Standard Method calculation for Oxford (Latest Affordability Data)

Prepared by Oxford City Council – 10 June 2024

Source: *Government Affordability Ratio Data*

1. This note provides additional information about the standard method-calculation, as requested by the Inspectors.
2. It has been requested that Oxford City Council publish the calculation of the Standard Method based on the latest available affordability ratio date. This data is for 2023 and was published 25 March 2024.
3. The 'standard method' of calculating local housing need for Oxford consists of three main steps as follows:
  - a. Uncapped need of the number of new homes needed in an area: Calculate projected household growth for the next 10years using the government's 2014 household projections for England. This has been undertaken.
  - b. Affordability adjustment: Adjust the baseline figure upwards in areas where house prices are more than four times higher than earnings. This has used Government published data (the latest being published 25 March 2024 for the 2023 time period).
  - c. Cap: Cap the increase at 40% of the baseline or at 40% above the figure set out in the LPA's local plan if the local plan was adopted or reviewed in the last five years. This has been applied to Oxford.
  - d. Urban uplift: For the LPAs whose areas contain the largest proportion of the population of one of England's 20 largest cities or urban centres, increase the figure by 35% after applying the cap. This does not apply to Oxford.
4. The HENA Table 7.4 (HEA.001) sets out the standard method calculations based on 2021 affordability ratio data. Table 10.2 of Matter 3 of the Council's response to the MIQs sets out the Standard Method figures updated using the 2023 affordability data (published by Government 2024<sup>1</sup>).
5. Table 1 and Table 2 of this document show the calculations made to arrive at the standard method figure. This uses the affordability data as submitted and the

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<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingaffordabilityinenglandandwales/2023>

affordability data for 2023 as published on 25 March 2024. Excel versions of these tables have also been provided.

Table 1 – Standard Method Calculated As Submitted

Area code	Area	2022	2032	Average Annual Change (Step 1)	Affordability Ratio 2021	Adjustment Factor	Adjusted Need (Step 2)	Local Plan Adoption	Local Plan Age	Housing Target	Cap	Housing Need (Step 3)	Largest Area	Urban Uplift/OAN (Step 4)
E07000177	Cherwell	63256	68582	533	10.28	139%	742	Monday, September 7, 2020	3	1362	1907	742	No	742
E07000178	Oxford	62530	68225	570	12.05	150%	856	Monday, June 8, 2020	4	544	762	762	No	762
E07000179	South Oxfordshire	59088	63179	409	13.07	157%	641	Thursday, December 10, 2020	3	900	1260	641	No	641
E07000180	Vale of White Horse	55650	60466	482	9.96	137%	661	Wednesday, December 14, 2016	7	1028	1439	661	No	661
E07000181	West Oxfordshire	48274	52256	398	11.40	146%	582	Thursday, September 27, 2018	5	660	924	582	No	582

Oxfordshire

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Table 2 – Standard Method Calculated Using 2023 Affordability Ratio Data (published 25 March 2024)

Area code	Area	2024	2034	Average Annual Change (Step 1)	Affordability Ratio 2023	Adjustment Factor	Adjusted Need (Step 2)	Local Plan Adoption	Local Plan Age	Housing Target	Cap	Housing Need (Step 3)	Largest Area	Urban Uplift/OAN (Step 4)
E07000177	Cherwell	64364	69580	522	9.67	135%	706	Monday, September 7, 2020	3	1362	1907	706	No	706
E07000178	Oxford	63533	69195	566	11.71	148%	839	Monday, June 8, 2020	4	544	762	762	No	762
E07000179	South Oxfordshire	59934	63962	403	11.00	144%	579	Thursday, December 10, 2020	3	900	1260	579	No	579
E07000180	Vale of White Horse	56660	61340	468	9.64	135%	633	Wednesday, December 14, 2016	7	1028	1439	633	No	633
E07000181	West Oxfordshire	49096	52979	388	10.63	141%	549	Thursday, September 27, 2018	5	660	924	549	No	549

Oxfordshire

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