

Creating a Vision for the Oxford-Cambridge Arc: Consultation

A response by the Home Builders Federation.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers, and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as nearly half of all newly built affordable housing.

We will respond to the questions in the consultation in the order they are asked.

1. Introduction: Creating a Vision for the Oxford-Cambridge Arc

1. What place could it be? What words come to mind?

- More available homes
- More affordable homes
- Better transport
- Connected
- Better environment

2. Your vision for the Arc to 2050?

A vision for the Arc of some description, even if it is not the ideal one, and for this to have been implemented so that at least some of the aims and objectives discussed in this consultation will have been realised by 2050. Inertia within central and local government is a real concern.

Ideally, what will have been realised by 2050 is housebuilding targets achieved in line with the numbers specified by the Spatial Framework and subordinate local plans. New housing developments will be well connected to each other and employment and retail centres by public-transport and new walking and cycling routes. New homes will be built to high environmental and design standards, building-in resilience to potential climate events, such as heatwaves and flooding. Housing developments will incorporate bio-diversity enhancements onsite and in Environmental Opportunity Areas / Zones. These Environmental Opportunity Areas / Zones will have been provided by Government to enable developments of all types to provide bio-diversity net-gains where it is unfeasible to do so onsite. These gains can be provided over a wider area, not solely within the local authority boundary in which the development is located. Bio-diversity gains will include planning of woodland and hedges and the construction of wetlands to achieve nutrient neutrality.

Infrastructure and utilities providers will have made investment decisions in line with the Spatial Framework to ensure that new development is supported by the services required. This will be in line with the development timetable specified within the Framework.

The number of local authorities will be reduced. Political and administrative jurisdictions will be larger because the number of local authorities in the Arc currently militates against effective delivery of housing, transport, and environmental objectives. A rationalisation of

local government will facilitate more effective working and implementation of objectives because governance is too fragmented and divided over areas that are too small. This prevents the effective delivery and implementation of major development or infrastructure objectives that cover more than one political jurisdiction.

3. How do you feel overall about the future of the Arc? What are your hopes and fears?

Hope: The Arc is an important project that if realised will boost UK productivity and the quality of life of the people by providing homes that are needed, many in new settlements, connected to new employment centres. These homes will contribute to addressing the major strategic shortfalls in housing supply in adjacent regions such as Greater London (14,000 homes a year short) and the west midlands conurbation (the housing shortfall in Birmingham is 38,000 homes) and the Black Country (shortfall at least 28,198 homes). One of the original conceptions for the Arc was that it would help address these shortfalls.

Fear: HBF's chief concern is inertia within central and local government. The delay to the production of the spatial plan for Oxfordshire, despite the incentives provided by Government, illustrates the risks associated with delegating the planning and delivery of major projects to local government. HBF is concerned that Government will fail to provide the firm leadership required to make sure that the local authorities adhere to the aims of the Spatial Framework and maintain local plan production. Government must be firm and clear with its expectations.

4. What are the most important things it needs to do as a strategic plan?

All five areas are important. It is difficult to differentiate between them.

5. If there is anything you would like to add?

Government will need to publish its Spatial Framework quickly and ensure that subordinate local plans are produced soon after. These supporting local plans will need to be in conformity with the Framework in all essential matters. Although the Spatial Framework, once published, will become national policy, and will be capable of being a material consideration, this still leaves much scope for argument and disagreement through a local plan. An independent panel, if not a Government panel, will need to be established to guide local authorities.

To reduce the scope for misunderstanding or disagreement, the Framework will need to provide some detail on matters such as minimum housing targets, and how these will be apportioned among the 18 local authorities, to minimise the risk of local authorities reducing these further based on a changing evidence base or different interpretations of planning guidance. This will require the Government to stipulate figures that are greater than the outputs from the Standard Method / Local Housing Need formula as these figures will be too weak to underpin the growth aims for the Arc. The Framework must also identify and allocate transport routes, strategic development locations and Environmental Opportunity Areas that are critical to the achievement of the Arc vision. This will prevent local authorities revisiting these proposals through local plans.

Local plans must be developed in tandem with the Spatial Framework. Once the Spatial Framework is published, supporting local plans must be produced, examined, and published within three years. Government should be prepared to take over local plan preparation if timetables are slipping or if there are signs of local government wishing to deviate

significantly from the Spatial Framework, such as on matters of housing numbers or strategic allocations.

Conversely, although the Framework would be a material consideration, Government could produce a development plan document that covers the Arc (one that complemented the London Plan in some respects). It would need to pass legislation to do so, but this would ensure that the vision is implemented in-time and make the plan more effective. Subordinate local plans would address matters of detail such as the identification of small sites for housing delivery.

2. The Environment

Green spaces, nature and biodiversity

1. Making sure the natural environment is protected, restored, and improved. For example, improving new and existing green spaces.

Important.

2. Making sure the most is made of the natural environment and that all people can have access to it. For example, making improvements to woodlands, wetland, green space and water and making sure people can visit them if they want to.

Important.

3. Making sure new growth leaves the environment in a better state than before. For example, keeping land in its natural state, and making it more wild, where appropriate.

Important.

4. Anything else to add about your vision for green spaces, nature, and biodiversity?

The production of the Spatial Framework will be critical to identify Environmental Opportunity Areas / Zones. This will help developments of all sizes to discharge their environmental obligations. This is an important function of the Spatial Framework as there will be locations within the Arc where it will not be possible for a development to achieve fully the biodiversity gains required or environmental neutrality on-site or within the relevant catchment or local authority area. Some local authority areas will be too small or tightly bounded. The identification of Environmental Opportunity Areas will assist with this.

Climate change resilience and net zero

5. Making sure new development helps to achieve net zero carbon at an Arc level towards national net zero targets. For example, through good design, sustainable travel choices, renewable energy and trapping carbon.

Important.

6. Making sure that new development can respond to the current and future effects of climate change. For example, through new carbon emissions, water use, waste disposal and renewable energy targets.

Important.

7. Anything else to add about your vision for climate change and/ or the contribution to net zero?

Housebuilders are committed to a pathway towards all new homes being net zero ready from 2025 onwards. Homes will be built to much higher standards of energy efficiency before this.

Housebuilders also take very seriously their responsibility to ensure new developments are resilient to climate-change related events. However, to achieve the new requirements, investment by the water industry and other infrastructure providers is also essential. In terms of water use and sewerage treatments, the water industry will need to invest to guarantee water supply to new homes and to address matters such as nutrients. Housebuilders already pay a levy to the water industry and has done so since 1989 to ensure infrastructure is provided and maintained to serve housing development.

The issue of water supply and quality is a growing problem. It is necessary to avoid a situation where failure to invest is now resulting in stopping orders being imposed on all new development because of issues such as water supply in Horsham and Chichester, or the need to achieve nutrient neutrality in areas such as the Solent, Somerset, and Kent. Asset Management Programmes will need to be adapted to reflect the emerging requirements of the Environment Agency and Natural England following the 2018 ECJ case on the Habitats Directive.

Planning by Government, its agencies, and regulators (like Ofwat and Ofgem) are vital to foresee the issues that are could or are likely to emerge during the plan period. Investment programmes need to be agreed in advance and implemented to address these issues.

Air quality and waste

8. Making sure new development helps to improve air quality within the Arc. For example, through high quality design, low emission zones and sustainable transport.

Important

9. Taking a combined approach to air quality across the Arc. For example, through being careful about where each land uses should go, supporting journeys via public transport and active travel and enhancing green spaces and routes across the area.

Important

10. Making better use of resources and managing waste. For example, promoting the re-use of materials, and protecting and improving soil quality and minerals.

Important

11. Anything else to add about your vision for air quality and waste?

The chief advantage of the Spatial Framework is its ability to plan new settlements in a way that is more rational than if it was left to individuated local authorities planning in isolation and often in conflict too. The constraints are more surmountable when planning is conducted at this wider spatial scale. This offers the best prospects for planning for new settlements in a way that makes best use of public transport opportunities and for planning for waste.

Water

12. Promoting a combined approach to managing water across the Arc, through protecting water resources, improving water quality, and reducing the risk of flooding. For example, treating wastewater, improving water storage, and reusing surface runoff.

Very Important.

13. Making sure new development reduces existing flood risk and is resilient to future flooding. For example, through tree planting and multifunctional sustainable drainage.

Important

14. Improving water availability and cutting the risk of drought. For example, through new sustainable water resources and infrastructure, and measures which reduce water use.

Very Important

15. Anything else to add about your vision for water?

The issues of water supply and nutrient neutrality have emerged recently as critical issues that pose a significant risk to housing delivery in many parts of the country. There is a critical need for the water industry to invest in its infrastructure in adequate time to ensure fresh-water and wastewater treatment can be provided for new developments. This is a statutory obligation under S37 of the Water Industry Act 1991. This duty is being breached in numerous cases. Government will need to ensure that the water industry is prepared to make the investment needed and is aware in sufficient time of the scale of development associated with the Growth Arc.

This is a conversation that must begin at the early in planning for the Arc and should involve DLUHC, Defra, Ofwat, the water industry and HBF. The Government will need to understand the resource restrictions that might prevent its vision for the Arc from being realised if these problems are not addressed.

3. The Economy

Education and training

1. Making sure the Arc keeps growing as a place of educational excellence, partnership and research. For example, through growth which helps existing universities and colleges.

Important

2. Making sure the economic benefits of growth are felt by all communities within the Arc. For example, through putting new education and training facilities in places where more people can easily get to go to them.

Important

3. Anything else to add about your vision for education and training?

The housebuilding industry has made substantial contributions to the construction of schools and related facilities in recent decades and will continue to be a key provider. The identification of land for new settlements should be a key objective of the Spatial Framework. This should enable housing and education to be located together and connected by public transport to employment centres,

Jobs and businesses

4. Making sure that the Arc keeps growing as a place for business, science and technology, and innovation. For example, through putting these types of new workspaces in places where they can make the most of cross-sector collaboration.

Important

5. Making sure that existing industries keep growing within the Arc. For example, through putting industries in the best places to suit their needs.

Important

6. Making sure the Arc builds upon and grows its skills, expertise and capabilities. For example, through making sure people can get around easily to bring the right people to the right job locations.

Very Important

7. Making sure that the right types of buildings are provided in the Arc so that businesses can keep growing as well as supporting the green economy. For example, through building new flexible and adaptable workspaces meeting the needs of a range of different businesses of different sizes.

Important

8. Anything else to add about your vision for jobs and businesses?

The Spatial Framework should identify the most suitable locations for employment. This should be in locations that are, or will be, well connected by public transport. Housing and education facilities should be located close to these new employment centres, where this is feasible and appropriate, to ensure that new settlements have a mix of development types. This will help maintain the vibrancy of these areas and encourage cross-sector collaboration.

4. Connectivity and Infrastructure

Infrastructure

1. Making sure planning takes a combined approach to new development by providing the infrastructure and services required at the right time to support growth. For example, by planning for the need for utilities (e.g., water, energy, waste) and community infrastructure (e.g., schools, hospitals, GP surgeries).

Very Important

2. Making sure new development makes the most of existing resources. For example, through making sure that materials are reused, renewable energy supplies are used, and waste is properly planned for.

Important

3. Making sure that digital infrastructure is put in at the same time as other development takes place. For example, speeding up the fitting of high-speed broadband to support home-based work and help new ways of learning.

Important

4. Anything else to add about your vision for infrastructure?

Housebuilders are major contributors to and providers of public infrastructure. In recent decades the housebuilding industry has contributed many billions through S106 and CIL payments. They will continue to be major funders and providers of this infrastructure and important partners in realising the Government's ambitions for the Arc. In 2018/19, the most recent year for which estimates are available from DLUCH, S106 and CIL payments totalling £7 billion were made to local planning authorities, of which:

- £1bn was made in the form of Community Infrastructure Levy payments
- £4.7bn in the form of Affordable Housing
- £1.3bn in the form of other contributions, including:
 - £295m for transport and travel
 - £241m for education
 - £146m for community works
 - £115m for open space and environment

These are significant contributions to the public realm. The housebuilding industry hopes to be involved in a discussion with public bodies and government about the priorities for investment in public infrastructure. Paragraph 8.5 of the consultation states that the Government and its partners will need to assess the viability of the proposed policies. This would be sensible, in addition to more local assessments, and the HBF would welcome the opportunity to be part of this conversation, using our knowledge of the cost of many existing and anticipated policies and regulations.

New development

5. Making sure growth within the Arc is placed around areas with better transport links. For example, through having more development around stations and bus routes, supported by cycling and walking tracks.

Very Important

6. Making sure new development cuts down the need to travel around the local area. For example, through providing safe and easy walking and cycling routes to town centres, shops and schools.

Important

7. Making sure new developments reduce existing and future infrastructure demand and resources used. For example, making sure that designs leave enough space for existing and future measures which reduce energy and water use, and cut down on waste.

Important

8. Making sure sustainable transport principles are included in the design of new developments. For example, by designing new developments in a way that enables people to walk or cycle all or part of their journeys.

Important

9. Anything else to add about new developments in the context of connectivity and infrastructure?

Ensuring good connectivity between new settlements and established employment and retail centres will be one of the chief objectives of the Spatial Framework. This should be by public transport and walking and cycling, as far as it is possible to do so. The Spatial Framework

will need to identify the locations for new settlements in relation to planned transport investment and planned or existing employment / retail centres. Paragraph 8.5 of the consultation explains that the Government and its partners in local government will do this.

The housebuilding industry will be major contributors to and providers of this infrastructure. The Spatial Framework should set out its requirements for active travel measures and the layout of new developments so that there is a comprehensive approach to this across the area of the Arc. It will need to have regard to the viability of development (para. 8.5).

Getting around

10. Creating better transport connections across the Arc and making sure they are provided in a way which supports sustainable new growth. For example, by planning for public transport and physical transport infrastructure requirements.

Very Important.

11. Making sure there are more opportunities for active travel such as walking and cycling across the Arc. For example, wider pavements, segregated cycle lanes, improved network of cycle lanes, and better pedestrian crossings.

Important.

12. Making sure that there is the right form of public transport in the right areas across the Arc and can be used by all travellers, including people with any particular needs.

Very Important.

13. Cutting down on the impact of cars and other private vehicles within the Arc. For example, by supporting more sustainable forms of private travel like cycling.

Important.

14. Anything else to add about your vision of getting around?

The Spatial Framework will be critical in fixing the spatial pattern of development and where investment in public transport will take place. New and existing settlements will need to be well connected by public transport and, where possible, by walking and cycling too.

Like the London Plan, the Spatial Framework should set out the priorities for local authorities for S106 / CIL funding reflecting on the viability of development in the Arc (see para. 8.5). Contributions to public transport and walking and cycling routes and facilities may be a high priority.

5. Place-making

Location of growth

1. Making sure new developments are built in the most sustainable locations, for the environment, the economy and communities. For example, by developing brownfield redevelopment and making sure they have good access to town centres, shops and schools.

Important.

2. Anything else to add about your vision for location of growth?

The Government will be aware that brownfield opportunities are limited in the Arc relative to the scale of the housing need. This is why there has been a need to develop a Joint Plan in Oxfordshire and why Cambridge City and South Cambridgeshire have needed to cooperate on planning for housing through its emerging Greater Cambridge Plan. As part of its collective evidence base to facilitate cross boundary working, the Spatial Framework will need to assess the capacity of areas across the Arc to accommodate housing. Locations for new settlements and urban extensions will need to be identified, optimising public transport opportunities, as detailed in paragraph 8.5 of the consultation document.

Homes in your area

3. Ensuring the right types of housing are delivered in the right locations to meet the needs of both renters and buyers. For example, family houses, first-time buyers, specialist housing, student accommodation and opportunities for people to build their own homes.

Very Important.

4. Increasing the amount and availability of affordable homes within the Arc.

Very Important.

5. Anything else to add about your vision for homes in your area?

The Spatial Framework will need to provide an assessment of the overall number of homes required and how these will be apportioned among the constituent 18 local authorities – setting housing requirements. It will need to do this as part of developing the collective evidence base to assist with cross-boundary planning in the Arc (see for example para. 7.6). The Spatial Framework will need to consider to what extent supply within the Arc will address unmet housing needs in Greater London and Birmingham. This is not a matter that Government can afford to delegate to local plans because the preparation of these will be delayed, resulting in the non-implementation of the Arc project.

The Government will need to stipulate figures that are greater than the outputs from the Standard Method / Local Housing Need formula as these figures are likely to be too weak to underpin the growth aims for the Arc.

Supplying a variety of house types that address the various needs of the people of the Arc is critical to the long-term economic success of the project. Family-sized homes are needed to attract higher earners but affordable homes, of various types, are needed to attract and retain younger households and those on lower earnings.

Government will be aware that S106 obligations are now an important source for the supply of new affordable housing. In 2019/20 housebuilders were responsible for 51% of all new affordable homes completed in England, secured through S106 contributions on private-led developments.

Market-led developments are also responsible for most of the supply of new social rented housing. In the past three years, S106 has accounted for around 60% of all new social rented completions.

Viability will be stronger on greenfield land. The delivery of Arc objectives will require greenfield land as the local plans produced across the corridor are already showing. The allocation of greenfield land will enable housebuilders to provide a greater number of affordable homes. This will help compensate for brownfield sites where the viability challenges will be steeper. The Spatial Plan will need to acknowledge the beneficial

contribution to public objectives by housebuilding. The supply of affordable housing together with contributions to public transport may be chief priorities for developer contributions in the Arc.

Like the London Plan, the Spatial Framework, as part of its collective evidence base, should assess the need for older persons housing. Like the London Plan, the Framework should provide indicative figures for each local authority. These indicative figures should distinguish between C2 and C3 use class.

As part of its collective evidence base, the Spatial Framework should set out an expectation that the constituent local authorities will provide an assessment of the likely capacity for housing on small sites of one hectare or less. This should not be confused with windfall expectations. Windfall is unforeseen or 'un-planned for' supply. It can consist of sites of varying size. The local authorities should instead be required to identify and allocate land for small sites, equivalent to 10% of the overall housing requirement, in-line with national policy.

Design of new developments and streets

6. Making sure a coordinated approach is taken to the design and delivery of new developments to ensure they are supported by new and existing infrastructure.

Very Important.

7. Making sure the environment and sustainability is at the heart of new developments. For example, by improving the built and natural environment, making sure development complements surrounding areas, and is supported by the right level of infrastructure.

Important.

8. Making sure there is the right mix of uses in new developments to help make high quality and thriving new places.

Neutral..

9. Making sure new developments help support healthy lifestyles for existing and future communities. For example, through walking and cycling, high quality green spaces, and accessible streets.

Important.

10. Making sure new developments promote resilience to climate change. For example, through green roofs, managing surface water, tree planting, storing rainwater and new green spaces.

Important.

11. Anything else to add about your vision for the design of new developments and streets?

The Spatial Framework should set default standards for the design and resilience of new development, or it should refer to existing Government guidance, such as the National Model Design Code. This might be necessary in case local plans, that will provide more detailed policies on these matters, are not published in time.

6. Our commitment to engaging communities

1. How can government engage the public better?

Other types of engagement.

2. Before this consultation, I was familiar with the area known as the OxfordCambridge Arc.

Yes.

3. Do you have anything else to add on engaging communities?

The constituent local authorities should be required to draw attention to the objectives of Government and reflect this in their emerging local plans. These emerging local plans should refer to government's (central and local) intentions for the Arc, including those detailed in paragraph 8.5, even if details remain uncertain at the moment. Included within this reference should be a notice that local plans will need to be revised very soon once details relating to the Arc become more concrete.

All local plans being produced now should include a section discussing the proposals for the Arc, and each plan should explain how the current local plan will complement or assist in the transition towards the aims for the Arc – similar to future proofing. This section should be considered by the planning inspector at the examination of the local plan.

7. Our commitment to data, evidence and digital tools

1. To what extent do you agree with our proposed approach on data and evidence?

Strongly agree.

2. Do you have anything else to add on data, evidence and digital tools?

A shared evidence base is vital. It is essential to the successful implementation of the Arc project that Government leads on the production of a joint evidence base. As this emerges, the evidence can be used to prepare local plans, to ensure that these are in broad compliance with the emerging Spatial Framework.

It will be necessary for the 18 local authorities and the Cambridgeshire and Peterborough Combined Authority to demonstrate their support for this evidence base.

8. How we will monitor and deliver the Framework

1. To what extent do you agree with our proposed approach on delivery and funding?

Agree.

2. Do you have anything else to add on delivery and funding?

Persuading local government and water and energy providers to commit to the objectives of the Arc represents the greatest challenge for Government. To secure this commitment, the Government must be clear about the outcomes it expects and the role of each local authority and utility provider in delivering these outcomes. This will also require early conversation with regulators such as Ofwat and Ofgem to ensure that investment programmes of utility providers are aligned with, and will support, the Government's ambitions for the Arc, especially issues such as water availability and wastewater treatment. For example, we understand that the water industry plans for fewer new homes than the Government's own

ambitions. We acknowledge that we are advocating a ‘top-down’ approach that is at odds with the approach to planning followed by Government for the last decade, but experience supports a more ‘directive’ approach in the case of the Arc.

Securing political commitment for the vision will be challenging so the Government must be prepared to be more interventionist – to take over plan preparation and project management to implement its vision for the Arc.

Delivering the vision for the Arc will be challenging because the local authorities who will need to produce local plans to underpin physical delivery will be working to different timetables. Ideally, Government should agree a common start date for all local plans, something HBF proposed previously. An alternative might be to operate to a common timetable even if local plans are published and adopted a few years apart. For example, all 18 local plans (or a number lower than this if the joint plans for Oxfordshire and Greater Cambridge are considered) should be prepared based on a common start date of 2025/26.

1. To what extent do you agree with our proposed approach on monitoring and evaluation?

Agree.

2. Do you have anything else to add on monitoring and evaluation?

It is likely that the aims and objectives for the Arc will need to be reviewed and adjusted after the plan is adopted, probably after five years with the aim for a revised Spatial Framework being ready by year ten. The Spatial Framework Delivery Plan should set a formal timetable for this, explaining how this will relate to local plan reviews.