

Sent by email to: planning.consultation@westoxon.gov.uk

25/10/2023

Dear Sir/ Madam

#### West Oxfordshire Local Plan - Issues and Objectives

1. Thank you for consulting the Home Builders Federation (HBF) on the West Oxfordshire Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

2. Broadly the HBF considers the objectives of the plan to be appropriate. However, as with all local plans the key issues that will arise is in the policies that are included the plan to deliver these objectives. The polices that are anticipated to help deliver each objective are referred to briefly and it is these that the HBF will broadly comment on in this response. Our response will also set out some broad issues that the council will need to consider regarding distribution of, homes, however, the HBF cannot set out a particular preference with regard to spatial strategies and preferred locations for new development.

Objective 1: To minimise the impact, we are having on our changing climate by reducing carbon emissions across all sources, with a particular focus on transport, housing, industry and energy.

Energy efficiency

- 3. The HBF recognises the need to minimise the impact we are all having on the climate and reduce carbon emissions with significant improvements in energy efficiency energy efficiency of new homes being delivered in recent years. Research by the HBF has identified that 85% of new build properties are rated A or B for energy performance compared to just 4% of existing homes. This means they require much less energy for day to day running, using approximately 9,400 kWh a year compared to older properties averaging over 21,000 kWh per year. This improvement can also be seen when size is taken into account with the average new build using 105kWh per m² per year compared to 246 kWh per m² in an existing property. New homes are already making a significant contribution towards meeting the national carbon reduction targets by allowing more people to live in more energy efficient homes.
- 4. This situation will only improve with the proposed changes to the Building Regulations. New homes are already being built to higher energy efficiency standards set out in the 2021 Building Regulations which will deliver a 30% improvement on previous regulations, with further improvements expected from 2025 with the introduction of the Future Homes Standard. The Future Homes Standard will see a 75% reduction on the 2013 regulations and mean that all new homes built as a result of this plan will be zero carbon ready. However, these improvements most be deliverable, which is why the HBF, and others have worked with Government to establish the Future Homes Hub to ensure that there was the capacity and skills across the house building industry and its supply networks to deliver the ambitious targets for energy efficiency set out in the Future Homes Standard. Having higher energy efficiency standards but delivering fewer homes will not only exacerbate the current housing crisis but also leave more people living in less energy efficient older homes.
- 5. With regard to the deliverability of the standard the Council will need to consider more than just the cost. The cost of delivering the higher energy standards above the Future Homes Standard is significant at about £13,500 for a typical end of terrace house¹. However, alongside these costs the council will also need to consider how it will increase the capacity of trades in the area to deliver higher standards particular if these require higher levels of air tightness. These are issues that need to addressed nationally and the danger of going beyond national standard is that there just is not the capacity to deliver homes at the proposed standard.

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<sup>&</sup>lt;sup>1</sup> Future Homes Hub (2022)

6. As such the HBF would suggest that the approach to climate change should not focus on technical standards for energy efficiency as these are being addressed through building regulations. The framework developed by Government through the Future Homes Standard will ensure that the transition to zero carbon homes is feasible whilst maintaining house building levels that can address the current housing crisis facing the country. To then place additional requirements with regard to such matters is unnecessary and unjustified.

#### Embodied carbon

- 7. HBF consider this to be an issue that can only be effectively addressed through Government intervention to provide a clear standard as to measuring embodied carbon. Work by the Future Homes Hub found that it was difficult to draw conclusion about current levels of emissions for different archetypes and what benchmarks might be and the best options for reducing whole life carbon with regard to the use of materials.
- 8. Given that there is still uncertainty as to the most effective approach to measuring whole life carbon emissions it is difficult for the council and house builder to know whether one approach is significantly better than another. What the study did find was that the greatest saving in terms of whole life carbon was the move from gas boilers to air source heat pumps which will be required from 2025 as part of Future Homes Standard.
- 9. Given the uncertainty at present regarding appropriate standards the HBF consider the most effective approach will be one driven by central Government. Indeed, this approach is one that we support through our involvement with the Future Homes Hub and the through the implementation plan that will deliver the right tools and capacity across both the house building industry and its supply networks to reduce embodied carbon across all developments. As such we would suggest that until a set standard is obtained the Council should encourage the use of materials with low embedded carbon within any policy but not set requirements as to embodied carbon or whole life carbon assessments.

### Objective 2: To facilitate the roll out of clean, renewable energy at a range of different scales in suitable, appropriate locations across the District.

10. The HBF is broadly supportive of this objective with many housebuilders already providing on decentralised energy for their homes. The Council's approach to achieve this objective anticipate the requirement for new build development to incorporate renewable/ low carbon energy provision. Given the NPPF allows for local planning authorities to set targets with regard to decentralised energy supply this is a reasonable approach. However, if the Council choses to set such a target, then it will need to be both viable and feasible with the policy allowing for flexibility where the level of onsite decentralised energy required cannot be delivered. Similar flexibility will also need to be reflected in the design, density and mix policies to ensure that the delivery of centralised energy is taken into account in design making on these policies.

# Objective 3: To respond and effectively adapt to the consequences of climate change that are already happening, building resilience and wherever possible, reversing harmful impacts, including nature's decline.

- 11. The objective is appropriate as it is important to ensure development responds to the to the consequences of climate change. This objective and indeed many others relating to climate change also provide drivers for the delivery of new homes. New buildings offer significantly more resilience in the face of the changes to our climate in a way that older housing cannot without considerable expense. A substantial increase in the delivery of new homes will ensure more people live in homes and developments that are adapted to meet the challenges of climate change and should be seen by the Council as significant positive when considering the number of homes, it provides over the plan period.
- 12. The consultation document indicates the council's intention to examine the need to promote sustainable design and water efficiency. In terms of sustainable design as we have already mentioned this should not extend to additional technical standards over and above those required through building regulations which already take into account issues such as over heating and ventilation. In terms of water efficiency, the optional technical standards allow LPAs to require development to deliver a lower water efficiency requirement of 110 litres per person per day (lppd) compared to the standard 125 lppd. If the council wish to apply this standard, they will need to ensure that there is the required evidence to support its application.

## Objective 4: To make the most efficient use of land, buildings and natural capital and ensure that waste is minimised whilst being seen as a valuable resource.

13. The HBF recognises the importance of making the most efficient use of land and existing buildings. The Government has been clear that LPAs should seek to maximise the use of

previously developed land through their local plans, however, there must also be recognition from the Council that housing needs will not be met solely from such sites and that the plan will need to allocate green field sites for development within this plan. Indeed, the allocation of green field sites can make a significant contribution to the overall natural capital within a local plan by providing biodiversity net gains within West Oxfordshire whether on site or elsewhere in the Borough. However, in order to ensure net gains are delivered locally the Council will need to identify where development can contribute to the delivery of net gains in the Borough. This is an issue we will return to later in this response but if the council are to take a natural capital approach to this local plan, we would suggest the identification of land where biodiversity will be improved to support development, and in particular small sites, is an essential element of this strategy. Such an approach would also ensure that development sites can maximise the delivery of new development whilst also supporting more substantial and co-ordinated improvements to biodiversity within West Oxfordshire.

# Objective 5: To help achieve thriving communities where people can lead healthy, happy and sustainable lives, going about their daily activities in well-designed, safe, crime-free, inclusive and accessible environments.

- 14. New homes will be essential element in ensuring the residents of West Oxfordshire can lead healthy, happy, and sustainable lives. However, with the increasing cost and shortage of housing it is increasingly difficult for many individuals and families to find a home that meets their needs. Given that it is common knowledge that poor, insecure, or overcrowded housing has a significant impact on an individual's health it will be essential that the Council provide sufficient housing to meet the needs of Oxfordshire's growing population if it is to meet this objective. Whilst the HBF recognise that developments should be designed to support improved health outcomes the council must recognise when preparing this plan, the impacts on health of not planning to meet both its own housing needs and the unmet needs of neighbouring authorities. This situation must be recognised in the Council's decision making as to how many homes it should build and not only with regard to the way new development is delivered.
- 15. With regard to Health Impact Assessments (HIA) the HBF would agree that they are an essential part of plan making to ensure the Council understand the health outcomes it is seeking to achieve and creates a plan that seeks to deliver these. IN undertaking a plan wide assessment, it is then unnecessary for future development proposals that accord with this plan to undertake a separate HIA. If a development meets the policies in the plan, then

it should be addressing the health outcomes already identified by the Council. An HIA as part of the application would merely be repetition of the work the council has already undertaken. The only circumstance where an HIA may be appropriate would be for a larger unallocated site where the impacts may not have been fully considered by the council as part of the plan wide HIA.

Objective 11: To conserve and enhance biodiversity, supporting resilient habitats for species and robust and valued environments for people, where natural capital and the benefits of ecosystem services are recognised, valued and invested in over the long term and measurable net gains in biodiversity are achieved locally.

- 16. It is suggested in the supporting text to this objective that the Council may advocate a higher percentage Biodiversity Net Gain and to require any offsite delivery to be in West Oxfordshire. The Council should not require development to deliver a higher percentage than that set out in the Environment Act. The Council should recognise that the 10% is a minimum and that in order to achieve this most development will seek to secure a higher level of net gain in order to ensure that its legal duties are met, and ensure further credits are not required if the quality of the habitat provided is considered insufficient at a later date. The Council should instead work with developers and other stakeholders to ensure that the 10% BNG can be delivered within Oxfordshire to avoid unnecessary additional costs and delays to development. In particular the Council will need to support the market for local credits if it wishes to see more net gain delivered within the Borough itself.
- 17. As the Council should be aware it cannot require development to deliver net gains locally. If the developer has followed the mitigation hierarchy and there are no opportunities to deliver net gains locally, they are entitled to purchase credits elsewhere. However, it is not in the interest of the developer to take such an option. The metric used to calculate net gains takes into account the location of any offsite BNG. Where off site delivery is outside of the local area it increases the number of units that need to be delivered to achieve the 10% net gain. As such it will cost the developer more to deliver net gains outside of West Oxfordshire. However, if there are insufficient credits in West Oxfordshire this will leave the developer little choice but purchase credits elsewhere. The lack of credits in West Oxfordshire should not be a barrier to development. Therefore, if the council wish to see development deliver net gains in West Oxfordshire it must provide the means by which this can be delivered.

18. By working with all stakeholders and it neighbours the Council should look to identify and allocate sites that will be suitable to deliver and manage off site biodiversity net gains. Such an approach is consistent with the natural capital approach being advocated by the council and will allow for a more focused improvement to delivering biodiversity net gains in West Oxfordshire as well as providing a secure supply of offsite credits to developers operating in the Borough.

Objective 12: To achieve a healthy water environment, where better water management and multiple benefits for people and wildlife are provided, through the use of an integrated water management approach that brings together sustainable water supply, usage and recycling, wastewater disposal, improvement of water quality and flood risk management.

- 19. Achieving a healthy water environment is an appropriate objective however the HBF note that the Council suggest that they may look to adopt a high water efficiency standard for new development. As set out above where the Council has evidence to support the need for a higher standard it can seek to apply the lower optional technical standard of 110 lppd. To go below this level would not only be inconsistent with national policy and unsound but may also have some unintended consequences. House builders are already delivering the lower 110 lppd standard, however, reducing this further is difficult with the experience of residents being affected when seeking to reduce this below a 100 lppd. For example, there are schemes around the country where once you begin to go too low on water usage there becomes a secondary issue of odour, air quality and human health as the piped systems are not getting enough volume to run through and cleanse the system. The effluent is not getting cleared and 'solids and matter' is just sitting dry in pipes which causes air quality issues and nuisance to residents.
- 20. The Council indicate that the use of design standards may be included in the policies to achieve this objective. Whilst such standards can be helpful to the developer they must not form part of the policy as they sit outside of the local plan and as such are not examined in the same way or subject to scrutiny should they change in future placing additional burdens on the developer. The Council may want to encourage their use and direct applicants to such standards, but they cannot require their use in policy.

Objective 16: To ensure that all new development in West Oxfordshire is underpinned by a high quality, innovative and inclusive approach to design.

21. The HBF and its members recognise the importance of good design in new developments. It is therefore disappointing that the Council has referred to comments made by some as to new development delivering soulless little boxes. Such pejorative language when referring to homes that many people are more than happy to live in, and which meet their needs is uncalled for. The Council must remember design is subjective and developers will deliver a product that is attractive to its customers and meets their needs. As such developers will always seek to deliver high quality well-designed of developments, however, the Council will need to be aware that these designs are influenced significantly by other policies, such as those relating to energy efficiency, that will have an impact on the design of new homes. Similarly moves to reduce waste in the construction process and speed up delivery through increased off site construction could lead to more homogeneity of design across developments.

## Objective 20: To enable the delivery of a continual supply of high quality, well-designed and sustainable new homes to meet identified housing needs in the period 2021 – 2041.

- 22. The HBF broadly support the principle behind this objective. However, the key to the soundness of this local plan is whether the Council plans for the minimum required by the standard method or whether it seeks to boost housing supply in response to economic growth that is expected across Oxfordshire over the next 20 years. As the Council will be aware the minimum requirement using the standard method indicates that housing need over the plan period would be 11,020 homes or 551 dwellings per annum (dpa). However, this requirement does not take into account the fact that Oxfordshire's economy is likely to require a higher number of homes in order to support the expected level of economic growth over the next 20 years.
- 23. The HBF were disappointed that the Oxfordshire LPAs abandoned the preparation of the Joint Strategic Plan (JSP) and the opportunity to prepare a single strategic plan for the county that supported an ambitious economic growth strategy of national importance. As the Council will be more than aware Oxfordshire is a key part of the UK's economy with the Oxfordshire Local Industrial Strategy agreed with Government in 2019 and which built on the significant investment over recent years from the Oxfordshire Local Economic Partnership. In the absence of a strategic plan for the county it is therefore beholden on each LPA to now prepare local plans that continue to support these economic ambitions

- and ensure that a lack of housing in the county is not, as is stated in paragraph 81 of the NPPF, a barrier to the investment needed to achieve the level of growth expected.
- 24. Even without the driver of the JSP the HBF would have expected the LPAs across Oxfordshire to work together to establish the required growth to support these economic aspirations. This has not been the case with Oxford City Council and Cherwell District Council recognised the need for such a piece of work and commissioned a housing and economic needs assessment (HENA) to establish the level housing growth needed across the county to support expected levels of economic growth. This work provides a compelling piece of evidence that sets out an alternative approach to assessing needs that takes into account expected levels of economic growth across the functional economic market area based around Oxford at its centre.
- 25. What is evident from the HENA is that even the lowest alternative assessment of housing, the CE Baseline, indicates that a substantial increase in new homes will be required compared to the that arrived at using the standard method. This scenario would require an additional 1,000 homes to be delivered across Oxfordshire compared to the standard method. If growth is higher than the baseline achieved in recent years, then the HENA indicates that needs could be well over 2,000 dpa higher than the standard method. This evidence provides a strong argument that the Oxfordshire LPAs will need to plan well beyond the standard method over the next 20 years. Indeed, the evidence indicates that the Standard Method figure should be ruled out as this would lead to unsustainable daily commuting into Oxfordshire and lead to local plans that are inconsistent with paragraph 104 and 105 of the NPPF.
- 26. The current consultation undertaken by Cherwell and the forthcoming consultation the Oxford Local plan indicate that both these councils consider it appropriate to plan for the baseline growth scenario. However, this scenario is a cautious one that reflects the current macroeconomic climate, the impact of COVID and the ongoing uncertainties around Brexit. Whilst some caution is necessary, given the drive for economic growth being proposed by the Local Enterprise Partnership there remains a strong likelihood that it will exceed past trends over the plan period. As such the HBF would advocate planning for a level of housing growth across the county of somewhere between the CE Baseline and economic development led scenario at around 5,000 dpa.

- 27. As to the proportion of that growth that should be taken forward by West Oxfordshire, we would agree with the approach suggested in the HENA which is based on employment distribution at the end of the plan period. This would result in a housing requirement for West Oxfordshire of circa 640 dpa and this is the minimum number of homes the Council should be planning to deliver.
- 28. However, the HBF are concerned that the Council has already made the decision not to plan for growth in its decision to revert to the standard method when assessing its five-year housing land supply following it regulation 10a review of its adopted local plan. This decision ignores the need for housing growth above the standard method to support what is one of the country's key areas for economic growth nor the significant unmet needs arising in Oxford. Whilst this may be a legitimate course of action and consistent the current NPPF it ignores the evidence as to what is needed both in West Oxfordshire and the County as whole. The Council should be seeking to ensure it delivers what was agreed in its adopted local plan and continue to recognises the need to plan at these levels in the future.

#### Unmet needs of Oxfordshire

29. In addition, the Council will need to plan for the unmet needs arising from Oxford. The City Council have confirmed that it has the capacity to deliver 9,147 between 2020 and 2040 - 457 dpa. This is a substantial shortfall of around 17,000 homes that will need to be distributed across the county. As to how these needs are distributed this will be for the Councils to decide this as part of any cooperation supporting plan making in Oxfordshire.

#### Timing and phasing

30. The objective sets out that the Council will look to achieve a continual supply of homes. The HBF agrees that there should be a continual supply of homes and that the Council should look to ensure that it can meet its annualised need and not rely on a stepped trajectory that will reduce the housing requirement the early years of the plan. Whilst PPG outlines that there are circumstances where a stepped trajectory might be appropriate this should only be a last resort. For LPAs such as West Oxfordshire where affordability is worsening, and delivery has been below the housing requirements in its adopted local plan it is essential that the supply of new home is not delayed further. In particular the HBF would advocate the allocation of more small and medium sized sites across the Borough as a means of securing increased supply in the early years of the plan – a point we return to in more detail with regard to the spatial strategy.

Objective 21: To ensure that new homes in West Oxfordshire are genuinely affordable over the short and longer-term to a broad range of people, including those who are not able to afford market priced housing to buy or rent.

#### Housing affordability

- 31. There are two aspects to achieving this objective the Council will need to consider. Firstly, the Council, and their neighbouring authorities in Oxfordshire, must build sufficient homes to meet the increasing demand for housing in the county. If not, then there is little hope in the securing long term improvements in affordability as there will still be too many people chasing too few homes. It will be inevitable that house prices will continue to rise faster than incomes.
- 32. The issue of population size and the size of the housing stock is considered in recent report by the HBF which compares the UK housing market with other European countries<sup>2</sup>. What is notable from this research, is that England has far fewer dwellings relative to its population than other developed nations. For example, Italy and France have around 590 homes per thousand inhabitants compared to just 434 in England, which is also well below the OECD average of 487. This dearth of properties makes England the most difficult place in the developed world to find a home, with the rate of available properties per member of the population at less than 1%, the lowest rate of all OECD countries. The relatively low number of homes for the size of population will impact on the cost of housing. The research found, not only that housing is very unaffordable in the UK but that other similar European nations, for example Belgium and France, have seen incomes better keep pace with house prices and in some cases, such as Finland the have fallen slightly as a proportion of income. Whilst this is national data it provides stark evidence as to the shortage of housing across the country and the need for all areas to boost supply if affordability is to improve, As we outlined early the LPAs in Oxfordshire need to be planning to deliver at least 5,000 homes across Oxfordshire to meet needs and have any hope of improving affordability.

#### Affordable housing delivery

33. With regard to affordable housing delivery the Council are still to establish how many such homes are required. In seeking to meet this need the Council will need to consider whether an increase the overall number of homes provided will allow it to better meet the need for affordable housing in West Oxfordshire. The vast majority of affordable housing is delivered

<sup>&</sup>lt;sup>2</sup> Housing Horizons: Examining the UK Hosing Stock in an International Context (HBF, October 2023) <a href="https://www.hbf.co.uk/documents/12890/International Audit Digital v1.pdf">https://www.hbf.co.uk/documents/12890/International Audit Digital v1.pdf</a>

off the back of market provision and as such in order to deliver more affordable housing it will need to increase the supply of market homes. This will be particular important with regard to the unmet needs of Oxford given the significant shortfalls the City has in terms of affordable housing.

#### Self-build and custom housebuilding

- 34. In general, the HBF does not consider it appropriate for a blanket requirement for self-build homes on large housing sites to be appropriate as the deliverability of self-build plots will vary from site to site. On some sites it will not be possible for example that the provision of self and custom build plots on new housing developments can be co-ordinated with the development of the wider site. At any one time, there are often multiple contractors and large machinery operating on-site from both a practical and health and safety perspective, it is difficult to envisage the development of single plots by individuals operating alongside this construction activity.
- 35. Instead, the approach to self-build should focus on identifying specific sites on which self-build can be delivered rather than including it as part of other sites delivering market and affordable housing. Such an approach would be consistent with planning practice guidance on his matter which encourages councils to work with land owners rather than place requirements on them with regard to plots for self-build and custom house building. The Council will also need to have considered other opportunities to meet their duties to meet demand for self-build housing set out in paragraph 57-029, such as how any land being disposed of for development by the Council could be used to support self-builders.
- 36. In addition, the Council should consider whether it might be more appropriate to release more small sites for self and custom build housing in the Green Belt rather than rely on larger sites which are less likely to meet the needs of many self-builders. Such an approach would not only better meet the expectations of those looking to build their own home but also ensure the Council meets the government's expectation for delivery on small sites set out in paragraph 69 of the NPPF.
- 37. If the Council chooses to require the delivery of self-build plots on larger sites, then they will need to provide the evidence to support this policy. Whilst the self-build register will provide a key part of this evidence the Council will need to ensure that it is robust and has been reviewed to ensure that those on the list are still looking to self-build and have the means to do so. The policy must be proportionate and relate to what is needed and not lead to a

level of provision that is beyond identified needs. The policy should also include a mechanism as to when self-build plots should return to the developer to be built out. We would recommend a period of 6 months from first being marketed to ensure that changes in conditions required for these to revert to the developer can be agreed prior to completion of the site.

#### Objective 22: To make sure everyone is able to access the home they need.

- 38. A key part in meeting this objective will be identify a supply of land to deliver development that meets the accommodation needs of older people, such as the demand for retirement accommodation. As such the HBF consider it important that local plans look to allocate specific sites to meet the needs of older people. In particular the Council must look, in the first instance, to allocate those sites submitted for older people's accommodation that are in the most sustainable locations close to key services.
- 39. However, we would also suggest that the local plan goes further. Firstly, we would recommend that the Council sets out in policy a target for the delivery of homes for older people and maintains a supply of land to meet that target. Whilst we recognise that there is not a requirement in national policy for the Council to maintain a specific supply of accommodation for older people identifying the level of need and monitoring supply would aid decision makers in the application of this policy and ensuring needs are met over the plan period. Such an approach would also ensure effective monitoring in relation meeting the needs of older people and encourage positive decision making if there is a deficiency in supply.
- 40. Secondly, the local plan should set out in policy its support and encouragement for older persons accommodation on brownfield and other land in established urban and suburban environments and which is not allocated (i.e., windfall sites). Whilst the Council has not identified the need for older people's accommodation the aging population seen nationally is likely to mean more demand for such accommodation in future and a positive approach is vital to ensure such sites gain permission in the right locations.

#### The Future Pattern of Development in West Oxfordshire

41. The Council have identified eight scenarios for delivering growth. Whilst the HBF does not have preferences as to where development needs are met, we are concerned that the

spatial strategies being proposed in many local plans are becoming more reliant on new settlements or large strategic urban extensions as a way of meeting housing needs in full. Such allocations are important and the HBF would support their allocation as a means of ensuring long term needs. However, too often the expectations as to when such allocations will start delivering new homes and the rate at which they will deliver are overly ambitious and fail to take into account the complexity of delivering such sites.

- 42. The second edition of Lichfields, Start to Finish (2020) provides helpful insight into expected housing trajectories for a range of schemes that the Council may find helpful when considering its spatial strategy. For example, table 3 of the report sets out that the mean annual delivery rate for schemes of over 2,000 homes is 160dpa. With regard to peak delivery rates the report sets out in Table 5 that schemes of over 2,000 delivery rates can reach 600 dpa citing Cambourne in Cambridge as an example. However, this rate of delivery was significantly higher than other schemes and still only resulted in an average annual build out rate of 223 dpa with many other large schemes delivering well below this figure.
- 43. One of the concerns the HBF has with plans that rely heavily on strategic sites with optimistic delivery rates is that this inevitably leads to stepped housing requirements that push back housing needs to later in the plan period and far fewer small sites being allocated.
- 44. As set out earlier in this response the HBF consider that whilst the use of stepped housing requirements is permitted with PPG outlining that they "... may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period", it is important to note that this also requires Councils to ensure that stepped housing requirements do not unnecessarily delay meeting housing needs. Therefore, where there is a reliance on strategic sites coming forward at the end of the plan period the Council should seek to balance this with the allocation of smaller sites that will deliver earlier the plan period to prevent delays in meeting housing needs. This is essential for an area such as West Oxfordshire where, as highlighted above, affordability has worsened significantly in recent years due to the under supply of new homes.
- 45. The allocation of small sites is also a priority for the Government with paragraph 69 of the NPPF stating that LPAs should identify through the development plan or brownfield register land to accommodate at least 10% of the housing requirment on small sites, this policy

stems from the Government's desire to support small house builders by ensuring that they benefit from the having their sites identified for development either through the local plan or brownfield register. The effect of an allocation is to take some of the risk out of that development and provide greater certainty that those sites come forward. This in turn will allow the SME sector to grow, deliver homes that will increase the diversity of the new homes that are available as well as bring those homes forward earlier in the plan period.

- 46. A failure to allocate small sites will contribute to the continued decline in small and medium sized house builders. Recent research by the HBF has found that there are 85% fewer small house builders today than there was 20 years ago and that of a survey of 202 SME house builders 87% said they were considering winding up there residential activities in the next three years. Whilst this decline is due to a range of factors more allocations of small would ease the burden on many SME developers and provide more certainty that there scheme will be permitted allowing them to secure the necessary finance that is often unavailable to SMEs until permission is granted.
- 47. The Council should also recognise that allocating small sites and supporting SME house builders not only ensures a stronger supply in the short term but also improves the diversity of choice within local housing markets, support local and regional supply chains and are often pivotal in bring forward innovation and supporting jobs growth locally, with 1 in 5 of the SME work force comprising of apprentices.
- 48. The HBF would therefore encourage the Council to ensure that the spatial strategy that is taken forward ensures that, in line with paragraph 68 of the NPPF, a minimum of 10% of its housing requirement comes forward on small sites of less than one hectare and that the Council does not delay meeting housing needs unnecessarily through an over reliance on large strategic sites to meet housing needs in full.

#### **Future Engagement**

49. I trust that the Council will find these comments useful. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry if that would helpful. The HBF would like to be kept informed of the progress and adoption of the Local Plan. Please use the contact details provided below for future correspondence.

### Yours faithfully

Mark Behrendt MRTPI

Planning Manager - Local Plans

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Home Builders Federation

Email: mark.behrendt@hbf.co.uk

Tel: 07867415547