

Sent by email to: PlanningPolicyConsultation@cherwell-dc.gov.uk

09/10/2017

Dear Sir/ Madam

Response by the House Builders Federation to the Cherwell Local Plan Partial Review Proposed Submission Plan

Thank you for consulting the Home Builders Federation (HBF) on the Partial Review of the Cherwell 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.

As with our submission to the previous consultation on the partial review we agree with the conclusions of the Oxfordshire Growth Board that it is difficult to be categorical about the precise extent of Oxford City's unmet need. The exact supply of homes that can be provided cannot be predicted exactly and we consider a working figure of 15,000 homes to be reasonable. The approach taken by the Oxfordshire authorities in addressing unmet need is a clear demonstration of the effective and on-going co-operation within Oxfordshire.

However, due to the uncertainty regarding the actual capacity of Oxford we consider the final agreed delivery outside of Oxford 14,850 homes should be considered as a minimum that will need to be accommodated. Oxford City's consultation on its Preferred Options continues to state that housing needs could be as high as 32,000 new homes by 2031 but in its Housing Needs and Supply Paper supporting the latest consultation document suggests that for the period 2011 to 2031 it is likely to deliver 8484 units. Whilst the City Council have stated they will seek to maximise delivery this new evidence would suggest that the unmet need arising from Oxford City could be higher than the previously considered.

Policy PR12a – Delivering Sites and Maintaining Housing Supply

This policy is unsound due to it being ineffective and unjustified.

In our response to the previous consultation we noted our concern in confining the delivery of Oxford's unmet need to the 2021 to 2031 period and ring-fencing Oxford's unmet need from Cherwell's on housing requirement. Whilst we are supportive of the joint working that has taken place to ensure unmet needs within the HMA are delivered we remain concerned that Cherwell, and the other authorities in the HMA, are seeking

to separate their own needs from that of Oxford's. The unmet need arising from Oxford should be considered as part of the Cherwell's housing requirement and should be monitored as such. It must be recognised that Oxford cannot meet its needs and that the demand for housing in Oxford will inevitably fall on the shoulders of its neighbours. Indeed, the Oxfordshire Strategic Housing Market Assessment (SHMA) identifies in appendix 1 that the housing needs of Oxford are already impacting on Cherwell's housing needs. Between 2006 and 2011 there was positive net migration from Oxford to Cherwell each year, with on average of 410 more people moving from Oxford to Cherwell than those moving the opposite direction.

This positive flow of people shows that Cherwell is already to a certain extent meeting the needs for Oxford and that this is reflected in the OAN. To consider Oxford's unmet needs as separate to Cherwell's is to fail to understand that housing markets are not defined by administrative boundaries. In meeting Oxford's unmet needs it must be recognised that this is about considering future migratory patterns that are inevitable due to the fact that in some areas growth will, inevitably, be limited. Essentially Cherwell are not meeting Oxford's unmet need but their own need that will inevitable arise from the development constraints faced by Oxford City. As such Cherwell should plan to meet a single increased housing requirement for the Borough rather than for two wholly separate requirements.

Given the scale of the challenge for both the Council and the house building industry to deliver these additional homes the only effective approach is to start planning for these homes as part of the Council's overall strategy for housing delivery. The sites allocated in the partial review will then form a key delivery mechanism for achieving the higher target. We are also concerned that Oxford City has a growing backlog of housing needs that need when delivery since 2011 is considered against the City's OAHN of 28,000 homes. At present we consider there to be a minimum backlog of 5,629 homes due to Oxford's inability to meet its own needs, as set out in the table below. Whilst we are not suggesting that this backlog should form part of Cherwell's five-year land supply it does give a clear indication of the need to deliver these homes as soon as possible and not wait until 2021.

Year	Trajectory	Cumulative target	Delivery	Cumulative delivery	Deficit/surplus
2011/12	1,400	1,400	228	228	-1,172
2012/13	1,400	2,800	213	441	-2,359
2013/14	1,400	4,200	215	656	-3,544
2014/15	1,400	5,600	332	988	-4,612
2015/16	1,400	7,000	383	1371	-5,629

There is also the danger with this approach that should the strategic allocations be delayed for any reason, such as insuperable infrastructure problems, then the housing needs of Oxford City could get neglected. We cannot comment on the deliverability of the proposed trajectory as this evidence is still to be provided. However, to ensure

delivery on the seven allocated sites alongside the delivery of allocated sites to meet the original housing requirement for the Borough within 10 years will be challenging. By considering all housing needs as a single requirement the Council will be able to react more effectively to meeting needs as a whole. We do not consider that such an approach would undermine delivery to meet the needs identified in the Cherwell Local Plan. In fact, it will provide the opportunity to secure a broader base of supply and ensure that infrastructure needs arising from all development is considered comprehensively.

It follows from these arguments, that the HBF sees no need to disaggregate the needs of Oxford City provided for within Cherwell's administrative area from the needs (the OAN) of Cherwell – they are one and the same. It is necessary to identify an overall housing requirement to be delivered within the administrative area of Cherwell, and not ring-fence Oxford City's needs to the strategic allocations set out in the Partial Review.

Consultation on the 'Standard Methodology'

Since the start of this consultation the Government has published its long awaited paper on the standard methodology for assessing housing needs. Given that this is still a consultation only limited weight can be given to its contents, however it clearly indicates the Government's direction of travel with regard to the OAHN. As I am sure the Council is aware, the assessment of housing need for Oxford City Council set out in this consultation is 800 dwellings per annum, significantly lower than the current expectations. The HBF is yet to make any formal statement on the methodology however we would like to comment briefly on how the standard methodology might apply to Oxfordshire.

Key to considering the standard methodology in relation to Oxfordshire is that the OAHN for Oxfordshire was based on either economic growth scenarios or the significant requirement for affordable housing in Oxford City. Consideration of both these scenarios sit outside of the standard methodology which focuses on the uplifts required to address market signals. As the consultation states in paragraph 28 "*a reduction in their local housing need compared to the existing approach can be attributed to our method not making a specific adjustment to take account of anticipated employment growth*" and goes on to confirm in paragraph 46 that local authorities are able to plan for a higher number than the one established by the standard methodology. Similarly, with regard to affordable housing provision Planning Practice Guidance in paragraph 2a-029 outlines that:

"The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes."

This is a separate assessment to the one for market signals and implies that where there are substantial affordable housing needs that are not addressed by the market signals uplift then an additional uplift to total should be considered. Given that the uplifts

made in Oxfordshire related to either economic or affordable housing growth scenarios we consider that the assessed needs as set out in the partial review are a sound basis for planning across the County not just now but in future should the standard methodology be implemented. These growth scenarios are also important in relation to Cambridge – Milton Keynes – Oxford Growth Corridor. In order to support the ambitions for this area the National Infrastructure Commission suggested that there may need to be 23,000 new homes delivered per year across the corridor. This is significantly higher than the 15,000 homes required to meet projected population growth.

As Government expects plans to be kept under review there will be opportunities to assess needs with its partner authorities in Oxfordshire in order to take account of any changes should these arise. We would therefore encourage Cherwell and all the authorities across Oxford to continue their approach to delivering new development that will meet the needs of the County.

We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully

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