

# HEARING STATEMENT MATTER 1

## Housing requirement



South Oxfordshire  
LOCAL PLAN 2011-2035  
[www.southoxon.gov.uk/newlocalplan](http://www.southoxon.gov.uk/newlocalplan)

**Question 1: Is the housing requirement soundly based?**

**Council Response:**

1. Yes. Policy STRAT2: South Oxfordshire Housing and Employment Requirements (as proposed to be modified by PSD48) establishes a total housing requirement of 23,550 homes over the plan period (2011 – 2035) comprising:
  - South Oxfordshire Housing Requirement:  
18,600 homes between 1 April 2011 and 31 March 2035
  - Meeting Oxford City's unmet housing need:  
4,950 homes addressing Oxford's contribution to the Growth Deal
2. The housing requirement is soundly based. The requirement to meet South Oxfordshire's housing need equates to 775 homes per year over the plan period, which constitutes an appropriate uplift on the housing requirement generated by the standard method, particularly taking into account the 2014 Strategic Housing Market Assessment (SHMA) ([HOU05](#)), the Oxfordshire Housing and Growth Deal ([DUC05](#)) and the approach taken by the other Oxfordshire Local Authorities in their adopted Local Plans (see question 1a below). The additional 4,950 homes to meet Oxford City's need is a soundly based contribution towards the City's need that cannot be met within the City itself (see question 1c below).

**1a. The figure of 775 dpa comes from the Oxfordshire SHMA 2014; the local housing need (LHN) figure derived from the standard method is 627 dpa. Have appropriate factors been applied to reach the housing requirement figure?**

**Council Response:**

3. Yes, appropriate factors have been applied to reach the housing requirement figure as set out in Policy STRAT2.

4. As set out above, Policy STRAT2 (as proposed to be modified by PSD48) identifies a total housing requirement of 23,550 homes in the District over the Plan period. This is based on an annual housing need of 775 homes a year for South Oxfordshire for the entire 24-year period (18,600 homes), with an additional 4,950 homes to fully meet South Oxfordshire's proportion of Oxford City's unmet housing need.
5. The 2018 standard method calculation provides a Local Housing Need (LHN) of 627 dwellings per annum (dpa) as a minimum. This calculation is set out in [IC1A](#) Table 6. [NPPF](#) paragraph 60 states that in order to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance, unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. Further, the NPPG sets out the circumstances when it might be appropriate to plan for a higher housing need figure than the standard method indicates (011 Reference ID: 2a-011-20190220):

*"The government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.*

*This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:*

- *growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);*

- *strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or*
- *an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;*

*There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently-produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method. Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.”*

### Growth Strategies

6. This is the first circumstance referred to in the NPPG. The Oxfordshire Housing and Growth Deal ([DUC05](#)) between Government and the Oxfordshire authorities, commits to collectively delivering 100,000 homes between 2011 and 2031. Funding has been committed and every other Oxfordshire authority has now adopted or proposed a housing requirement to contribute to this 100,000 home target.
7. The Oxfordshire Growth Deal (DUC05) provides many benefits across Oxfordshire, such as agreement on collaborative plan making covering all five Districts in Oxfordshire; a collective agreement to plan for and support delivery of homes; £215m of funding for Oxfordshire; and planning flexibilities for Oxfordshire. Paragraph 11 of the DUC05 explains that:

*“11. Oxfordshire’s plans for growth are focused on a long-term, comprehensive and integrated approach to addressing these barriers - to deliver housing and economic growth in high quality sustainable developments, which offer good quality of life for new and existing residents. This is reflected in the strong collaborative approach at the heart of the Oxfordshire Growth Board: a joint committee of the six local authorities, together with key strategic partners - including Oxfordshire’s two universities and the LEP - set up to facilitate and enable joint working on economic development, strategic planning and growth, including housing.”*



By seeking to plan for and secure appropriate growth and infrastructure, the South Oxfordshire Local Plan will be the last to be examined in Oxfordshire, and the last Local Plan to ultimately conclude the commitments of the deal.

#### Strategic Infrastructure Improvements

8. This is the second circumstance referred to in the NPPG. There are various strategic infrastructure improvements particularly those set out in Policy TRANS1b and Policy TRANS3 of the Plan. There is more background information on the funding sources to enable delivery of growth in the Background Funding Paper (PSD22).
9. Oxfordshire benefits from the growth deal (DUC05) and also the Housing Infrastructure Fund will help to deliver a number of improvements. Road and rail connections within and through South Oxfordshire are currently experiencing significant growth in demand because of strong economic growth. Development can have a positive role in improving and funding strategic infrastructure, and also through the provision of good urban design to encourage walking and cycling from new development to shops, schools and other facilities.

#### Unmet Need

10. This is the third circumstance referred to in the NPPG. There is an outstanding unmet need from Oxford City which justifies uplifting the housing requirement of the Plan.
11. Given these factors the proposed uplift over the requirement calculated by the reference to the standard methodology is clearly justified. Further details are set out in our Housing Topic Paper ([TOP01](#)).
12. With regards to South Oxfordshire needs, it is appropriate for the Plan to require 775 new homes per year rather than 627 as the standard method would require. Alongside other Oxfordshire authorities, the 2014 Strategic Housing Market Assessment (SHMA) ([HOU05](#)) is our local housing need assessment.

13. There are now a number of Local Plans across Oxfordshire that have based their housing need on the Oxfordshire SHMA 2014 (HOU05):

- at West Oxfordshire;
- Vale of White Horse;
- Cherwell who are concluding their examination on their partial review addressing Oxford's unmet housing need having already adopted a part one plan; and
- Oxford City who relied upon an Objectively Assessed Need Update that in itself was an update of the SHMA.

14. The annual housing requirements for the other Oxfordshire authorities indicate that our proposed 775 dpa requirement is realistic and comparable to others in the same housing market. These annual housing requirement rates across Oxfordshire are provided in Table 1.

*Table 1: Oxfordshire authorities annual housing requirements (excluding exported Oxford unmet housing need)*

<b>Authority</b>	<b>Annual housing requirement</b>
Oxford City	475 dpa (from 2016/17 to 2020/2021)
	567dpa (from 2021/22 to 2035/36)
West Oxfordshire	660 dpa
Cherwell	1,140 dpa (Cherwell Part 1 adopted Plan from 2011-2031)
Vale of White Horse	1,028 dpa
South Oxfordshire	775 dpa*
*Reflecting the annual average rather than the stepped housing requirement	

**1b. What are the implications of extending the plan period as proposed?**

**Council Response:**

15. The proposed extension of the plan period by one year to 2035 does not have any implications in terms of the soundness of the Plan. Paragraph 22 of the [NPPF](#) requires the Plan to look ahead over a minimum of 15 years from adoption and we have responded to that with a proposed plan period that ends in 2035 (see PSD48).
16. We have carried forward the 775 annual housing requirement for the additional year. The justification for the use of the 775 figure is as set out above.
17. Extending the plan period in this way does not require alterations to the Plan's strategy. In particular, it does not require us to allocate any additional sites, as we have sufficient housing supply to meet the need arising from this additional year, particularly given that the strategic sites will be delivering houses up to and beyond the end of the plan period (see the Housing Land Supply Statement 2020 (PSD44) and see Matter 2).

**1c. Is there an appropriate component within the stated housing requirement for meeting the unmet needs arising from Oxford City, having regard to the findings of the Inspector's report into the submitted Oxford City Local Plan? What should that figure be?**

**Council Response:**

18. As set out above, STRAT2 establishes a requirement of 4,950 homes to meet the unmet housing need arising from Oxford City. This is an appropriate and justifiable figure.

19. [NPPF](#) paragraph 24 states that SODC is under a duty to cooperate with other local planning authorities and county councils, along with other prescribed bodies on strategic matters that cross administrative boundaries. Effective and ongoing joint working between strategic policy-making authorities and relevant bodies is integral to the production of a positively prepared and justified strategy.
20. In 2016, a Memorandum of Co-operation ([DUC01](#)) was signed by all of the Oxfordshire authorities apart from South Oxfordshire District Council. This Memorandum provided the agreed working assumption of 15,000 homes for the apportionment of Oxford City's unmet housing need between the districts. Subsequently, the inclusion of the apportionment in our emerging Plan and the signing of the Statement of Common Ground between the Oxfordshire Authorities ([SCG01](#)) (March 2019) confirms the Council's commitment to the Oxfordshire Growth Deal targets.
21. The Council will deliver its proportion of Oxford City's unmet housing need in full, making a significant contribution to assisting Oxford City in addressing its housing shortages and constraints (SGG01) (paragraph 3.6ff). The Oxford City Local Plan Inspector's Report (PSD33) indicates the capacity of Oxford to be 10,884 homes. Oxford city local plan includes the assumption that the South Oxfordshire Local Plan will provide 4,950 homes (Oxford City Local Plan (PSD41) paragraph 3.11). The allocations at Grenoble Road, Northfield and Bayswater around Oxford City collectively contribute a supply of 5,380 homes in the Plan period. The West Oxfordshire Local Plan has provided 2,750 homes, the Vale of White Horse Local Plan 2031 Part 2 has provided 2,200 homes and the emerging Cherwell Local Plan review provides 4,400 homes. Our proposed contribution of 4,950 homes would therefore be appropriate and consistent with ensuring that the agreed working assumption of around 15,000 homes is met.
22. Policy STRAT2 therefore plans for the appropriate level of unmet housing need for Oxford City totalling 4,950 homes. This approach is supported by the other Oxfordshire authorities and the approach has been found sound in the respective Local Plans for other Oxfordshire authorities.



### 1d. Does the plan provide for sufficient affordable housing?

#### Council Response:

23. Delivery of affordable housing is mainly to be achieved without cost to the public purse by requiring a percentage of affordable homes in mixed market-led schemes. Referring to table 2, the Plan could enable delivery of up to 12,048 affordable houses, based on 40% delivery (justified by viability evidence (INF02.3)), and 50% at sites around Oxford City (again justified by viability evidence (INF02.3)). Affordable housing often forms part of viability negotiations with developers, or is not provided on smaller sites because of the thresholds now set in the [NPPF](#) (paragraph 65).

Table 2: Affordable housing delivery estimates (2011-2035)

Site	Homes	Affordable provision	Affordable expected
Chalgrove	2,105	40%	842
Wheatley	500	40%	200
Northfield	1,800	50%	900
Grenoble road	2,480	50%	1,240
Berinsfield	1,700	40%	680
Culham	2,100	40%	840
Bayswater	1100	50%	550
Total	11,785	-	5,252
Affordable Housing contribution from towns, villages and Nettlebed allocations (711 x 0.4)			284
Committed growth (16,280 x 0.4)			6,512
5,252 + 284 + 6,512 =			<b>12,048</b>

24. The 2014 SHMA ([HOU05](#)) includes an assessment of the need for affordable housing. The model considers households who are currently living in unsuitable housing, the proportion of newly-forming households who cannot afford to buy or rent market

housing without financial support, and existing households who fall into housing need. It includes overcrowded households and those who are at risk of becoming homeless. These households would be classified as in need of affordable housing. The need for affordable housing is compared against the affordable housing supply, which is principally related to the re-letting of existing homes owned by Housing Associations. This is used to derive a net need for new affordable housing. The methodology used in the 2014 SHMA (HOU05) is robust and has been supported at the examinations of the other Oxfordshire Local Plans that have been found sound.

25. The SHMA ([HOU05](#)) evidences that South Oxfordshire has an annual net need of 386 affordable homes per annum. In order to meet affordable housing need in full, an annual delivery of 965 dpa would be needed.
26. In addition, the Plan also encourages the provision of affordable housing through other policies, such as supporting exception sites (Policy H10 Exception Sites) and community right to build (Policy H1 Delivering New Homes 3iii).

**1e. To conclude, and leaving aside (for the moment) the stepped trajectory, what average annual figure should constitute the housing requirement, and what would that figure be over the plan period?**

**Council Response:**

27. Leaving aside the stepped trajectory, a requirement of 775 dpa from 2011 to 2035 (775 x 24 years) totals 18,600 homes. This, combined with the 4,950 for Oxford city unmet housing need, totals 23,550 homes, which when averaged over a 24 year plan period gives an average requirement of 981 dpa.
28. Up to date monitoring data (PSD44) presents compelling evidence that the delivery of housing continues to be sustained at a high level, in excess of the requirement calculated by reference to the standard method. This indicates strong market signals for a demand for new homes. It is too early to know whether the Covid-19 pandemic is

likely to have a significant effect on housing needs in the District; it will however be necessary to keep this under review during the plan period.

29. The Council considers Policy STRAT2 to be sound and no further modifications related to matter 1, beyond those previously proposed and set out in PSD48 are required.

## Appendix 1: Key References

<b>Key National Policies and Guidance</b>	<ul style="list-style-type: none"> <li>• Paragraph 11</li> <li>• Paragraph 60</li> <li>• Paragraph 65</li> <li>• Paragraphs 24 – 27</li> </ul>
<b>Other Relevant Policies in the South Oxfordshire Local Plan</b>	<ul style="list-style-type: none"> <li>• Policy STRAT1: The Overall Strategy</li> <li>• Policy STRAT2: South Oxfordshire Housing and Employment Requirements</li> <li>• Policy H1: Delivering New Homes</li> <li>• Policy TRANS1b: Supporting Strategic Infrastructure Investment</li> <li>• Policy TRANS3: Safeguarding of Land for Strategic Transport Schemes</li> <li>• Appendix 8 Housing Trajectory</li> </ul>
<b>Key Evidence Base Studies</b>	<ul style="list-style-type: none"> <li>• HOU05 Oxfordshire SHMA 2014</li> <li>• TOP01 Housing Topic Paper</li> <li>• DUC01 Memorandum of Cooperation between the local authorities in the Oxfordshire Housing Market Area, Meeting the Objectively Assessed Need</li> <li>• SCG01 Statement of Common Ground with the Oxfordshire Authorities</li> <li>• PSD22 Background Funding Paper</li> <li>• PSD33 Oxford City Local Plan Inspector's Report</li> <li>• PSD41 Oxford City Local Plan</li> <li>• PSD44 Housing Land Supply Statement</li> </ul>

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