

Matter 5 – Housing
Issue 4 – Affordable Housing



During the hearing session on the above topic, the Inspector requested that the City Council suggest some wording for Policy CS25 to address the issue of the affordable housing contribution having regard to viability and site characteristics.

Below is a copy of Policy CS25 and supporting text. The City Council proposes the following wording changes shown in red:

7.3 Delivering new affordable housing

Affordable housing will be an important consideration when planning developments, and particularly their mix of housing tenures. Affordable housing is a key priority for the City Council, which wishes to deliver a wide choice of high-quality homes to address the needs of local people and to create sustainable, inclusive and mixed communities. This is achieved through establishing what people need in terms of the type, affordability and tenure of dwellings. The Oxfordshire Housing Market Assessment shows that the annual demand for affordable housing in Oxford for the first five years (2006-11) is between 1,420 and 2,396 dwellings. While some affordable housing will be developed by the City Council and registered social landlords (RSLs), most will have to come from private-sector developments.

Oxford is the 10th least affordable district in the South East region and average single-income households would not be able to afford a flat or two-bed terraced house in Oxford. Even a joint-income household would find it difficult to afford a property of a size to meet their basic needs in Oxford. Given the scale of need, shortage of land and size of sites that come forward, the City Council has to seek a high level of affordable housing to create a balanced community.

The requirement for affordable housing applies to all types of residential development of self-contained dwellings (whether for general or specialist needs), including retirement homes, mixed-use developments and conversion schemes. The City Council has significant landholdings, and the Council's policy for the disposal of assets as set out in the Asset Management Plan is to release as much residential land for development as possible, to maximise development of affordable housing for rent.

Due to the high need for affordable housing in Oxford, we will review the threshold and mechanism of delivery through the production of the Development Management DPD. This will build on work by the Oxford Strategic Partnership on affordable housing. It will look for ways to increase the supply of affordable housing by removing any incentive to underdevelop or not bring forward residential sites. It will consider the role of commuted sums, intermediate, key-worker and shared-ownership housing all within a balanced mix of housing. Any changes to thresholds, delivery mechanisms or mix of housing will need to be considered in terms of their implications for viability and the overall supply of affordable housing.

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Commercial development can worsen the existing housing situation by encouraging workers in housing need to move to Oxford. The City Council will expect such developments to contribute towards meeting the need for affordable housing in Oxford. This could mean building homes on site, or making a financial contribution that reflects the cost of providing the number, types and sizes of dwellings required. This policy does not apply to retail developments or non-profit-making public-sector projects.

The Affordable Housing SPD provides more details on the implementation of Oxford's LDF affordable housing policies. The SPD will be revised as and when necessary.

The City Council will seek to maximise the contribution to affordable housing provision from each site. In assessing the level of contribution and the mix of affordable dwelling types and sizes, the City Council will have regard to the characteristics of the site, the viability of the development and its Affordable Housing and Balance of Dwellings SPDs. Developers will be expected to have considered the financial implications of the affordable housing policy requirements, and other contributions, when purchasing land for development. Any negotiation will be expected to be on an "open-book" basis and should relate to the particular site circumstances that have resulted in the development's non-viability. Further details on the cascade approach that will be applied in any negotiation is set out in the Affordable Housing SPD.

Policy CS25

Affordable housing

Planning permission will only be granted for residential developments that provide generally a minimum of 50% of the proposed dwellings as affordable housing on all qualifying sites.

Planning permission will only be granted for commercial development that provides affordable housing to meet additional demand created.

If it can be demonstrated, by open book evidence, that the affordable housing contribution from either residential or commercial development makes a site unviable developers and the City Council will work through a cascade approach until a site is made viable.

Developers will provide affordable housing as part of the proposed development unless the City Council, or the Secretary of State where appropriate, and the developer both consider that it is preferable to make a financial or other contribution towards the delivery of affordable housing on another site.

Developers may not circumvent this policy by artificially subdividing sites, and are expected to make efficient use of land. Affordable housing should be available to those in housing need in perpetuity.

Oxford City Council

22nd July 2009