

Oxford Green Belt Network (OGBN) : Hearing Statement

Matter 1: The housing requirement

Introduction

1. The Oxford Green Belt Network (OGBN) was established in 1997 to help to protect the Oxford Green Belt and to support those wishing to resist proposals for inappropriate development within it. It comments regularly on planning applications in the Green Belt and in planning policy consultations, particularly on matters affecting the Green Belt. Its membership includes many of the Parish Councils whose areas include Green Belt land.

2. The OGBN fully supports the aims of Green Belts as set out in the NPPF and earlier planning guidance and in particular it strongly endorses the fundamental principle that Green Belt is a permanent designation. We strongly endorse the following description of the purpose of the Oxford Green Belt:

'The Oxford Green Belt was designated to restrain development pressures which could damage the character of Oxford City and its heritage through increased activity, traffic and the outward sprawl of the urban area. Similarly, the character of Oxford in a rural setting cannot be maintained without the protection of the spatial relationship of Oxford with nearby settlements and the maintenance of the character of the intervening countryside.'

(paragraph B256 of Cherwell Council's adopted Local Plan Part 1, 2015)

3. We are, therefore, very concerned that Oxford's plan substantially exaggerates its true level of housing need and that this being used to justify removal of large areas of Green Belt in the surrounding Districts to meet a claimed 'unmet need'.

4. In writing this statement, we have co-operated with Cherwell Development Watch Alliance (CDWA). We have read their statement and its appendix, the ORS Report: *Review of the Assessments of Affordable Housing Needs and OAN for Oxford City. Report of Findings*, November 2019 ('The ORS November Report'). We refer to this below and understand it is an Appendix to CDWA's hearing statement. CDWA's statement focuses particularly on a detailed critique of the evidence used by the City Council and shows that it does not justify the Plan. **We support and endorse CDWA's conclusions** namely that:

- The City Council has ignored the Objectively Assessed Need of 776dpa given by the 2018 SHMA/OAN Update (Oxford City Objectively Assessed Need Update)
- The City Council's justification for retaining the 1400dpa from the 2014 SHMA is an invalid circular argument
- The housing figure (1400dpa) for Oxford in the 2014 SHMA has been accepted by the local authorities as OAN but, in fact has always been a 'policy on' figure based on an arbitrary growth rate

- The 2014 approach of deriving an OAN by mechanically applying the percentage of housing required to be affordable was also incorrect and is not justified now
- The Calculation of Affordable Housing Need in the 2018 SHMA/OAN Update exaggerates need by a factor of about two
- The City Council's use of the 2018 SHMA/OAN Update to justify its housing requirement is confused and not valid
- The 2014 SHMA and 2018 SHMA/OAN Update show that no additional housing is needed for economic growth and, therefore, all the proposed uplift, of about **150%** over basic demographic need, is for market signals and affordability.

The Oxford Green Belt Network's Case

5. OGBN's statement focuses on the first paragraph of the Issues for Matter 1, on the City's 'alternative approach' and on whether the Council's proposals are realistic and achievable. We conclude that they are not and that the plan is therefore **Not Effective** and is **Unsound**.

6. We also look at the evidence used by the City Council to suggest that 2% compound growth over twenty years is 'achievable' and **we attach a short technical note as Appendix 1** to this statement which indicates that the same evidence indicates that exactly the opposite is true. The matters we wish to highlight are:

(i) Oxford's Growth Strategy is unrealistic and not "likely to be deliverable" (as required by PPG in order to justify an alternative approach)

7. PPG refers to growth strategies that are "likely to be deliverable". The Growth Strategy as interpreted by Oxford's plan is unlikely to be deliverable as it proposes highly unrealistic and implausible levels and rates of growth as we now illustrate. The 2018 SHMA/OAN Update [HOU.5] shows baseline demographic growth for the City requires 554 dpa. Oxford's proposed housing requirement is 1400dpa. That represents an uplift over the baseline of **153%**. No uplift over the 554dpa is required for jobs growth and the whole of the increase from 554dpa to 1400dpa is meant to reflect affordability and market signals only. This is unprecedented amongst local plans and is simply not credible as shown in the ORS November Report.

8. The overall level of growth envisaged for Oxford is similar to those in the fastest periods of growth in the New Towns, but Oxford does not have a Development Corporation or any of the implementation arrangements that were in place in the New Towns. 28,000 new dwellings in 20 years would represent an increase of almost 50% in the City's total housing stock. Most of this growth is of course intended to be accommodated immediately outside the City's boundary, but the practical effect would still be to make the city half as big again.

9. Furthermore, the development would be expected to be accommodated in an area where it is accepted that there are serious infrastructure deficiencies, where transport networks are operating over capacity, and where there are many environmental constraints not least of which is the character of historic Oxford. It has long been recognised that as a historic city of international significance, a policy of restraint is appropriate in order to protect Oxford's character and setting from the harmful effects of excessive development. (As expressed in the quote above from Cherwell's adopted Local Plan). We have seen no evidence in the plan

of consideration of the impact on the City itself of such a high level of growth, which the plan requires immediately outside the City boundaries.

10. In reality, for the period 2021-2031, the growth proposed is even greater than the 14,000 dwellings given by the target because delivery of the Districts' apportionments is being concentrated into a shorter period. All of Cherwell's twenty year apportionment of 4,400 dwellings is intended to be delivered in 2021-2031. This adds another 2,200 to the 14,000. If we assume, on a very conservative estimate, that the other three Districts *in total* would add a similar amount, the overall total for the ten year period comes to over 18,000. This would represent a simple annual average growth rate of over 3% (2.7% compound). Again this is not credible.

11. We note that in Guildford it was stated by the Inspector that: *"When set against the proposed affordable housing requirement of 40%, the Council would need to deliver almost 1,300 dwellings per annum to meet affordable housing need in its entirety. It would not be practicable to seek the delivery of 1,300 homes a year"*, although he did also accept a total requirement of 562dpa which included a substantial uplift for jobs growth.

12. In Runnymede, an area with a similar affordability ratio to Oxford, the authors of the SHMA for that area (also GL Hearn) said that delivery of 862dpa would equate to a compound annual growth rate of 2% and that *"Such a level of growth would exceed all reasonable expectations for Runnymede and would be akin to the growth seen in Milton Keynes and Tower Hamlets in their peak periods of growth"*. (Quoted in ORS November Report, paras 1.33-1.34). Yet in Oxford, GL Hearn conclude that the same growth rate is achievable.

13. We conclude that the levels of growth proposed for Oxford are highly unrealistic and undeliverable. **The plan is therefore not effective and is unsound.** Later, we show that GL Hearn's evidence used to justify 2% as an achievable growth rate actually indicates that it is not achievable.

(ii) The City Council's Alternative Approach provides a more plausible, and potentially 'achievable', OAN and corrects the 2014 SHMA but is still not methodologically sound

14. PPG provides justifications for using an alternative approach. So does the Growth Deal, where it says that it would be appropriate to use the 2014 SHMA **"subject to an appropriate update"**. The NPPF also requires that any alternative approach must also "reflect current and future demographic trends and market signals". The NPPF requirement also makes clear that to be sound it is not simply sufficient for it to produce a result that is higher than the standard method. The alternative approach has to accurately reflect current and future trends.

15. The City's alternative approach, not unreasonably, was to commission an update of the 2014 SHMA using the same methodology (and the same consultants). It is therefore relying on the methodology required by NPPF1 as its 'alternative method' and this generates an 'Objectively Assessed Need' (OAN). NPPF2 still requires, in para 11, that authorities should "...provide for objectively assessed needs for housing ..." and an updated SHMA would seem to be one approach to establishing these. Indeed the actual title of the 2018

SHMA/OAN Update is “Oxford City : Objectively Assessed Need Update” and it would be remarkable therefore if it did not arrive at an updated OAN.

16. Although neither the Council nor GL Hearn state this, the 2018 SHMA/OAN Update concludes that Oxford’s OAN is 776dpa which includes a 40% uplift for affordability and market signals on top of other upward adjustments. This conclusion is confirmed by the ORS November Report and by the draft report provided to CDWA under a freedom of information request. 776dpa is a much more plausible level of need which is higher than Local Housing Need given by the standard method (743dpa), but not by much.

17. However, there are still problems with the City’s alternative approach. As shown by ORS, the 2018 SHMA/OAN Update substantially over-estimates affordable housing need due to a methodological error. Furthermore, its conclusion that a 2% compound growth rate in housing stock is achievable and justifies an uplift to 1,356dpa or 1,400dpa to meet affordable need is not supported by the evidence.

18. One important finding from the 2018 SHMA/OAN Update is that it confirms that 1400dpa in the 2014 SHMA never represented the OAN for Oxford. This is because it was based on an arbitrary 2% compound growth rate in housing stock and was therefore a ‘policy-on’ requirement. This approach was unique to Oxford (amongst the five Oxfordshire Districts) in the 2014 SHMA and Oxford’s contribution to the 100,000 total SHMA OAN figure was arrived at in a quite different and erroneous way to the other Districts. In the other Districts, there were substantial and, in our view, exaggerated uplifts for planned economic growth (actually ‘hoped-for economic growth’). However in Oxford no ‘jobs uplift’ for even the highest economic growth scenario was required which led to the invalid approach of relying on an arbitrary growth rate.

(iii) The Council wrongly relies on the Oxfordshire Growth Deal to justify its assessment of housing need when the Deal says nothing about the distribution of housing.

19. The plan cites Growth Deal funding which is dependent on the local authorities planning for 100,000 houses by 2031 to justify its housing requirement (para 3.6). However, the Growth Deal says nothing about the distribution of housing between the Districts or, indeed, about the location of housing having to be in the Oxford Green Belt. Indeed, the Outline Agreement for the Oxfordshire Housing and Growth Deal [**GDL.1**] stated in terms on the first page:

‘This deal, and any distribution of funds via it, does not constitute HMG weight or approval for any scheme which is subject to the planning system.

In addition, it does not alter any of the statutory functions, duties and rights of HMG or Local Planning Authorities, and in particular the functions of the Secretary of State in relation to plan-making or decision-taking. Nor does it imply any favourable treatment for any specific scheme or plan.’

20. The Growth Deal therefore does not require Oxford to plan for 28,000 houses and explicitly does not seek to interfere in its planning functions. Whether 28,000 is an appropriate level of growth for Oxford City should be considered on the basis of whether it is

realistic and whether it is justified by up to date evidence and accurate analysis. That will be determined through this Examination and this is why Inspectors examining other District Local Plans have said that apportionments of Oxford's claimed unmet need are "*only a 'working assumption' and could change over time dependent on the outcome of the examinations of other Districts' plans*".

21. Similarly, the National Infrastructure Commission's recommendations say nothing about the specific locations for new housing, and indeed it remains uncertain whether its proposals for an Oxford-Cambridge Expressway will go ahead or what its route might be. In any event it will not be open before 2030 (Highways England current timescale), by when it would be expected that there would have been at least two reviews of Oxford's Local Plan. It should also be noted that Oxford City Council itself has resolved (on 28/01/2019), as have other local councils, to oppose the Expressway as it is currently proposed. It would therefore be inconsistent for this Plan to use the Expressway to justify higher housing figures.

(iv) The City Council wrongly claims that evidence shows that 2% compound growth over twenty years is 'achievable'.

22. Regardless of policy off/on distinctions the Council claims that 2% is an appropriate housing target because it is 'achievable'. It is important to note that 2% is a compound growth rate over a twenty year period (the simple average annual rate would be 2.38%). Use of compound rates means that extra care must be taken when comparisons are made. Little evidence is provided for the claim that the rate is 'achievable' although GL Hearn in its Clarification Note (appended to OCC.1A) say that they have examined recent levels of growth in other local authorities to support this.

23. We have undertaken our own analysis of the data in official published sources and conclude that the figures given by GL Hearn are highly selective and misleading and that they do not support the conclusion that the level of growth proposed for Oxford is achievable. Indeed they strongly suggest the reverse. Our findings are given in a short technical note as an **Appendix** to this Statement.

24. In summary, we found that:

- GL Hearn had taken the five authorities in England with the very highest compound annual growth rates of housing stock over the **7 year period** 2011-2018.
- The two highest rates were in City of London and Tower Hamlets. These are inner London Boroughs with substantial high-rise residential development, which are wholly inappropriate as comparators.
- The next three authorities were Uttlesford, Vale of White Horse and Cambridge with compound growth rates over the **7 year period** of 1.7%. This rate is not comparable with 2% over a **20 year period** and should be compared with the compound growth rate of 2.2% which would be needed to achieve an average of 1400dpa in Oxford over seven years.
- If data for the three comparator authorities are considered for an 18 year period (2001-2018) the rates are much lower (1.5%, 1.2% and 1.3%).
- Furthermore, in absolute rather than percentage terms, the average annual growth in dwelling stock in all these authorities is less than half of the 1400dpa proposed for Oxford.

25. Overall therefore we conclude, that in the three reasonably comparable authorities selected by GL Hearn and which have the **very highest rates** in England, the levels of

housing growth and the growth rates achieved are substantially lower over a substantially shorter time period than what is proposed for Oxford. Far from suggesting, as does GL Hearn, that the proposals for Oxford are achievable, the data indicate exactly the opposite.

26. We also see no evidence from the Council that such a high rate of development for such a long period could be justified. Elsewhere (see earlier quotes from the Guildford Inspector and the Runnymede SHMA) levels of growth which are actually lower than is proposed for Oxford have been described as “not practicable” and “exceeding all reasonable expectations”.

Conclusion

27. The Council’s Plan is based on an unrealistic and undeliverable level of growth which renders the plan **Not Effective**. The evidence put forward to suggest that it is ‘achievable’, in fact indicates the very opposite.

(2750 words)

Appendix to OGBN Hearing Statement.**Technical Note:****Does the data support GLHearn's claim in its Clarification Note (OCC.1A) that a two percent (compound) growth rate over 20 years is likely to be achievable for Oxford?**

1. An important part of the City Council's justification for its housing need/requirement figure of 1400dpa is that this is 'achievable'. The figure is said to represent a growth rate of 2% per annum. It is important to note that this is a *compound* annual growth rate over a 20 year period. The simple average annual growth rate would be 2.38%. Very little evidence is given for the claim that this is achievable, but GL Hearn's clarification note (OCC.1A) of July 2019 says the following:

The OAN figure in the 2014 SHMA included consideration of what uplift for affordable housing need could be considered achievable. In this case, given the strength of the housing market, an uplift equating to approximately 2% growth per annum was considered achievable. We maintain, as set out in the 2018 update, that this growth rate remains achievable.

To illustrate this further we have examined recent levels of growth in local authorities across the county as well as those within Oxfordshire. This revealed that the Vale of White Horse (1.7% per annum) had seen some of the highest rates of growth in the Country. Demonstrating that when policy encourages a high rate of growth can be achieved in the HMA.

The City of London a highly constrained although dense development area achieved a growth rate of 2.3% per annum between 2011-2018. Similarly Tower Hamlets achieved a growth rate of 1.9% per annum again through high density development.

Cambridge which is a more direct comparator achieved 1.7% growth per annum over the same period as did Uttlesford. It is therefore clear that while challenging a growth rate of 2.0% per annum is potentially achievable.

2. The data sources for GL Hearn's comparator figures are not given nor is it said whether they represent compound growth rates or simple average growth rates. No time period is quoted for the Vale of White Horse growth figure. Furthermore two of the authorities cited (City of London and Tower Hamlets) are not at all comparable to Oxford.

3. We have, therefore, undertaken our own analysis of the data in official published sources and conclude that the figures given by GL Hearn are highly selective and misleading and that they do not support the conclusion that the level of growth proposed for Oxford is achievable. Indeed they strongly suggest the reverse.

4. The table overleaf provides dwelling stock estimates taken from MHCLG Live Table 125 (Dwelling stock estimates by local authority district: 2001 – 2018) for the authorities cited by GL Hearn. The table gives Dwelling stock at 2001, 2011 and 2018, compound annual growth rates for 2001-2018 and 2011-2018, and each authority's ranking (out of 145 authorities in the East, South East and London) on the 2011-2018 rate.

Rank in SE/E/ London	Authority	Dwellings 2001	Dwellings 2011	Dwellings 2018	Compound Growth 2001-2018	Compound Growth 2011-2018
1	City of London	5,009	5,513	6,451	1.50	2.27
2	Tower Hamlets	80,225	105,379	120,015	2.40	1.88
3	Uttlesford	28,531	32,862	37,025	1.54	1.72
4	Vale of White Horse	46,894	51,020	57,418	1.20	1.70
5	Cambridge	43,446	48,288	54,330	1.32	1.70

Source: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>.

Note: Ranking is for 2011-2018 compound growth amongst all 145 authorities in the South East, East of England and London for which data are available for 2001-2018.

5. The table confirms that the rates quoted by GLHearn are compound growth rates for the 7 year period 2011-2018. These are not therefore comparable with the notional 2% compound growth rate proposed for Oxford over a 20 year period.

6. The comparable figure for Oxford would be a compound growth rate for a seven year period calculated as follows. Oxford's housing stock in 2018 was 58,907 dwellings. Adding 1400 dwellings per annum to this over a seven year period would result in a further 9,800 dwellings. This would be achieved by a compound growth rate of **2.22%** and not 2.0%. So 2.2% in Oxford would be the correct figure to use in comparison to the growth rates for the five authorities quoted by GL Hearn.

7. In making the comparison it should firstly be noted that GL Hearn has selected the five local authorities in England with the very highest seven year growth rates. Nevertheless, the growth rate considered achievable for Oxford is substantially higher than that achieved in those local authorities (with the exception of the non-comparable City of London – see below).

8. Secondly, it should be noted that the City of London cannot in any way be considered comparable to Oxford. It has a very small dwelling stock, less than 10% of that of Oxford. Construction of a small number of very high rise and high density developments can result in a substantial growth rate. In fact the growth rate for the City was achieved by the construction of just 938 dwellings over seven years (an average of 134 per year).

9. Tower Hamlets is also not comparable. It has for many years been the subject of substantial and sustained investment in regeneration, firstly by the London Docklands Development Corporation and more recently as a London Olympics host borough. Flats constitute four-fifths of its housing stock and much of the recent housing development there, as in the City of London, has been at very high density in the form of tall residential buildings (20 storeys or more). Such development would be completely inappropriate in and around Oxford.

10. In the remaining 3 top-ranked Districts cited by GL Hearn, the 7-year compound growth rates are 1.7%. This is much lower than the equivalent 2.2% proposed for Oxford and does not indicate that it is achievable.

11. It is also important to consider the absolute levels of development that have been achieved. In Uttlesford (a rural District including the market town of Saffron Walden), for example, the 2011-2017 increase in housing stock is just over 4,000 houses compared to the 9,800 houses proposed for Oxford in seven years.

12. In Vale of White Horse and Cambridge the seven year increases were 6,400 and 6,000 respectively, again substantially lower than the 9,800 proposed for Oxford. Moreover, the growth rates in these authorities were not sustained over a longer period. The table shows that the compound growth rates for the seventeen year period 2001-2018 are 1.2% (Vale) and 1.3% (Cambridge). Absolute increases in stock over the seventeen year period were 10,500 and 10,900 respectively. These compare with an increase for Oxford over 17 years of $17 \times 1,400 = 23,800$ dwellings.

Conclusion

13. The levels of housing growth and the growth rates achieved in the five authorities selected by GL Hearn which have the very highest rates in England are substantially lower than what is proposed for Oxford. Far from suggesting that the proposals for Oxford are achievable, the data indicate quite the opposite.

Postscript: Oxfordshire

14. GL Hearn say that they have “examined recent levels of growth ... in Oxfordshire”. However they only present a figure for the highest ranked authority in the County (and the 4th in England). For the sake of balance and completeness the table below presents the data for all of the Oxfordshire authorities.

Rank in SE/E/ London	Authority	Dwellings 2001	Dwellings 2011	Dwellings 2018	Change 2001-2018	Growth Rate(%) 01-18	Change 2011-2018	Growth Rate(%) 11-18
11	Cherwell	54,766	59,018	64,986	10,220	1.01	5,968	1.39
133	Oxford	52,825	57,217	58,907	6,082	0.64	1,690	0.42
26	SouthOxon	53,880	56,644	60,935	7,055	0.73	4,291	1.05
4	Vale of WH	46,894	51,020	57,418	10,524	1.20	6,398	1.70
60	West Oxon	40,072	45,580	48,107	8,035	1.08	2,527	0.77
	Oxfordshire	248,437	269,479	290,353	41,916	0.92	20,874	1.07

Growth rates are compound annual rates over the period shown.

Ranking is based on growth rate 2011-18.

15. As can be seen, Vale of White Horse’s rate for 2011-2018 was substantially higher than for all the other Oxfordshire Districts with the overall growth rate for Oxfordshire being 1.1%. The growth rates over the longer 2001-2018 period were lower in Oxfordshire as a whole and significantly lower in the Vale.