

Matter 4: Housing delivery

Whether the housing trajectory and its underlying assumptions and evidence provide a realistic and reliable assessment of the rate of housing delivery.

1. South Oxfordshire District Council considers that the capacity-based housing requirement set out in Policy H1 of the Oxford Local Plan 2036 (Examination Document CSD.1) as proposed to be amended by Examination Document OCC1B, has not been based on a realistic nor reliable assessment of the rate of housing delivery that may be achievable within the City.
2. The rate of housing delivery is not reliable because the revised Housing and Economic Land Availability Assessment (HELAA), (Examination Document PSD2) is not considered to fully address the following issues:
 - The approach to site identification is insufficiently objective;
 - The capacity of individual sites should be maximised;
 - Whether the windfall calculation is robust;
 - Whether the 10% Lapse Rate applied to the planned supply is appropriate to the local housing market.

The approach to site identification is insufficiently objective

3. Paragraph 2.1.45 of the HELAA (PSD2) notes the sources of sites identified for assessment. The District Council considers that further suitable sites are omitted from the assessment or assessed as incapable of making a contribution to housing land supply due to the approach to the assessment of green open spaces, playing pitches and sites currently in active employment use set out in Appendix A of the HELAA. The findings of the Interim Playing Pitch Strategy 2019-2039 (Examination Document GIS.11) are used to justify the retention of playing pitches and green open space at Paragraph 2.1.28 of PSD2, however the study has not been finalised and the District Council's concerns regarding the validity of the findings are set out in the response to Matter 2 at Para 29 to 33.
4. The HELAA advises at Para 2.1.42 that an assessment of individual employment sites and clusters has shown most sites are performing well, with low levels of vacancy and high levels of take up. However, the HELAA goes on to advise at Para 2.1.45 that only sites "*...that were identified in the Employment Land Assessment (2016) as having potential for additional employment or housing...*" have been included in the assessment, and goes on to state at Para 2.1.43 that "*...The assessment of land for development (housing and economic uses) has taken this evidence of supply and demand for employment land into account when assessing sites for potential change of use from employment. Unless there is evidence that employment space can be reprovided elsewhere or that development of an employment site will not have a detrimental impact on the supply of employment land, sites have been assessed as not having potential for housing. Where there is evidence that net additional employment space is likely to come forward, e.g. through intensification or development of vacant plots, this has been added in to the assessment.*"

5. There has not been a thorough approach to site identification, because some sites currently in employment use perform poorly (as identified by the 2016 Employment Land Assessment (ELA, Exam Document ECO.2) or may be surplus to requirements.
6. The District Council's requested modification is for further alignment between the assessments summarised within the ELA and HELAA is required to ensure that all sites identified within the former, are included within the latter to be assessed for residential potential.
7. Where poorly performing employment sites have been identified as having residential potential, there is a need for the City Council to assess whether exercise of compulsory purchase powers could be used to bring the sites into residential use to help to maximise the residential capacity of the city.

The capacity of individual sites should be maximised

8. Paragraph 2.2.5 onwards of the HELAA (PSD2) advises that the density assumptions used for the capacity analysis of sites has been derived using a density multiplier approach where no other source of information for site capacity has been identified. However, PSD2 only sets out the result of the multiplier approach where it has been used, so that there is no opportunity for comparison with the assumed capacity for individual sites. The densities considered appropriate to various typologies is set out as a range within Table 3 of Examination Document BGP7 which, at Paragraph 19, explains that the bottom of the range has been used for capacity assessment within the HELAA. This approach has been continued, as advised by PSD2 at Para 2.2.10.
9. There is no assurance that the capacity of individual sites has been maximised, particularly since the top end of the density multiplier range has not been demonstrated for individual sites.
10. The 10% reduction in developable site area for Public Open Space delivery for all sites over 1.5 hectares is not considered to be appropriate. There are some sites where this is not appropriate given their location such as Cowley Marsh Depot (See South Oxfordshire District Councils response to Matter 2).
11. The District Council requested modifications are:
 - the maximum capacity achievable from the range should be included within the assessment for each site identified, to inform the setting of appropriate development capacity targets within allocation policies;
 - where the density multiplier has been applied, a reduction to the developable area should be made for all potential reductions to the developable area commonly included within density calculations, not just Public Open Space.

Whether the windfall calculation is robust

12. The District Council would support a robust windfall calculation that can be reliably interpreted into the housing trajectory. However the calculation of the contribution that windfall development can make to the housing land supply has not been adequately assessed.
13. The estimate of the contribution of windfall development to the planned housing land supply has fluctuated significantly through the production of the City Plan. The windfall contribution is now estimated to be 136 units per annum; which has risen from the 60 dwellings per annum set out in the submission plan. The increase is primarily attributed to the inclusion of back garden development, which is no longer explicitly removed from consideration by NPPF 2019, and the inclusion of sites of 5-9 dwellings in the supply.
14. However, these changes to the approach to windfall were highlighted as necessary within the 2014 report "Unlocking Oxford's Development Potential (HOU16) at Paragraph 74. HOU16 goes on to advise at Paragraph 149, that a windfall allowance of 220 dwellings per annum could be achievable within the city through the implementation of a more robust assessment of the supply. It is not clear from the submission plan, nor from PSD2, whether the other actions set out in HOU16 have been pursued, or whether this higher windfall figure is considered to be achievable by the City Council.
15. The District Council's requested modifications are:
 - to assess the anticipated rate of windfall delivery in order to ensure that this source of supply is maximised, and that the contribution can be relied upon as a stable, predictable source of supply over the plan period.
 - To include a requirement in the Local Plans monitoring framework (for Policy H1), to annually monitor and review the windfall calculation.

Whether the 10% Lapse Rate applied to the planned supply is appropriate to the local housing market.

16. PSD2 Paragraph 3.2.1 states that a 10% reduction has been applied to the development potential identified to account for possible non-delivery. It is considered to be appropriate to apply a lapse rate to the commitments within the supply (the contribution of 303 dwellings), however the derivation of the 10% figure to discount from capacity has not been documented. Please see South Oxfordshire District Councils statement to Matter 2.

Whether it would be possible to demonstrate a 5 year supply of housing land at the adoption of the plan and a reasonable prospect of a rolling 5 year supply for a foreseeable period thereafter, and whether the use of a stepped trajectory is justified.

17. South Oxfordshire District Council supports the achievement of a five year supply of housing land through the use of a stepped trajectory for Oxford City. However

the stepped requirements adopted within the trajectory must be commensurate with the level of anticipated rate of Green Belt release within the City Plan area.

18. NPPG (Paragraph: 021 Reference ID: 68-021-20190722 Revision date: 22 July 2019) advises that:

19. *“A stepped housing requirement 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.”*

20. The use of a stepped trajectory would help the City Council to maintain a five year housing land supply, but would also act to ensure that there is sufficient reliance on non-Green Belt sites within the supply to deliver earlier in the plan period. It is considered to be vitally important that land within the Green Belt is only released for development where justified, and that best use is made of appropriate non Green Belt sites within the city to minimise Green Belt release.

21. As set out in the District Council’s response to Matter 2, it is of considerable concern that the City Plan does not identify specific land uses nor residential delivery targets for the proposed site allocations. Where there is no certainty of the intended type nor form of development for each proposed site, it is difficult to envisage how there can be certainty of delivery and this makes it difficult to conclude whether there is a reasonable prospect of a rolling 5 year supply for a foreseeable period thereafter. The approach is not supported.

22. The District Council’s requested modification is that each proposed allocation policy should be amended to include appropriate land use targets which maximises residential capacity within the City.