

Oxford City Council

Response to Inspectors'

Matters

Issues and Questions

www.oxford.gov.uk



Matter 3:
Housing need
and housing
requirement

Issue: whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to housing need and the housing requirement

THE HENA AND HOUSING NEED

Question 1: Why does the HENA seek to assess the housing need for Oxfordshire and all of the individual authorities? Is this justified?

1. The HENA seeks to assess the housing need for Oxford City and Cherwell District Councils, to support their local plans. It is for the other district authorities to assess their own housing need, and the HENA does not attempt to set their level of housing need. However, for a number of reasons, to truly and accurately understand first of all the housing need of all of Oxfordshire as an analytical starting point, and this approach is justified as the most accurate way of assessing true housing need at the level of Oxford City Council (as well as Cherwell District Council).

Issues with unadjusted SM

2. In order to assess housing need the options are to use standard method or, as permitted in national government policy and guidance, to use an alternative approach, and the use of an alternative approach must be justified by demonstrating that there are exceptional circumstances.
3. Importantly, the standard method can be run only for a planning authority area. It is based mainly on historical demographic factors for that area, to which the affordability adjustment is applied. Demographic factors in Oxford have been influenced by the historic and ongoing suppression of migration and household formation due to the limited capacity within the tightly drawn boundaries of Oxford itself. This is demonstrated by and reflected in the extreme unaffordability of housing in the city (see HENA Chapter 4, including Table 4.3 and Figure 4.9) and strong commuting into it; which contrasts with much weaker demographic growth than in other Oxfordshire authorities (see HENA Table 3.3) influenced by the land supply constraints.
4. Oxford, as a major international city and economic hub, influences housing matters, including need, in the county with existing strong linkages to other settlements including the market towns, villages and other areas. Oxfordshire is the appropriate housing market area and functional economic market area, reflecting the functional linkages between the city and surrounding districts. Housing need in Oxford is known to be acute

(as demonstrated by the evidence submitted) and this cannot be understood fully if treated in isolation from the surrounding areas.

- Demographic factors in Oxford have been influenced by the historic and ongoing suppression of household formation due to the limited capacity within the tightly drawn boundaries of Oxford itself. This is demonstrated by and reflected in the unaffordability of housing in the city and commuting patterns. The following table highlights the extreme situation in Oxford that has arisen from strong economic growth in a constrained area.

Table 1.1: Contextual data to illustrate and evidence and impacts of strong economic growth in a constrained city

Unaffordable housing	Average housing costs over 12 times average earnings (ONS)
	3,300 on housing waiting list
	High levels of rent (2021 Census) -45.3% own their own home (62.5% nationally) -20.9% social rent (17.1% nationally) 32.2% private rent (20.3% nationally)
Housing inequalities	2019 Indices of deprivation. In the housing affordability, household crowding and homelessness sub-division, 33 (40%) of Oxford's Super Output Areas were in the 20% most deprived nationally
Strong economic growth Commuting	2019 estimate £6.8bn contribution to the national economy
	Job density ratio (jobs to residents 16-64) 1.10 (SE and GB 0.85)
	45,900 people travel in to Oxford to work (2011 Census)
Recruitment and retention	Difficulties reported by major employers including hospital trusts, schools, universities.

SM's affordability uplift is insufficient to remedy the issues in the SM which mean that it does not properly reflect Oxford City's true LHN

- The standard method does include an affordability uplift but this is applied to the (constrained) demographic projection and is capped. Accordingly, applying the affordability uplift to the capped maximum does not remedy the fact that the DM does not provide an adequate basis for understanding the true level of housing need in Oxford City. Households to support the high level of economic growth in Oxford and Oxfordshire are largely formed outside of Oxford. If departing from the standard method is justified, an appropriate methodology must be formulated that will lead to a better understanding of true housing need.

7. The most significant inaccuracy to overcome in departing from the standard method is the historic suppression of household formation and constraints to migration. To continue to rely on the demographic factors for Oxford it would only project forward these suppressed trends and therefore results in an artificially low understanding of housing need, i.e. a figure that does not in fact represent Oxford City Council's true housing need at all. Whilst, ultimately, the limited capacity of Oxford may mean that not factoring in this suppression going forwards will lead to a need greater than the capacity, it is still considered important to understand the full need, because unmet need can then be planned for so that it is located in a way that still helps to meet Oxford's needs, even if it has to be delivered outside of its boundaries. Otherwise, resulting problems that are known and being experienced, such as the unaffordability of housing and commuting levels are not addressed. In addition, the economic growth of the area would also be suppressed or unsustainable commuting patterns result, contrary to national planning policy.
8. The evidence demonstrates that Oxfordshire's economy is extremely important to the national economy. Oxford is a key part of this, but it is part of the wider economic network and system, rather than being self-contained and isolated. The knowledge economy present in Oxfordshire may have arisen because of the presence of the universities within Oxford, however, the influence is Oxfordshire wide, with spin-offs from the university and businesses attracted by the highly skilled workforce locating across the county, and particularly in the knowledge spine, which extends across the county. To gain an accurate and realistic understanding of housing needs arising from this continued economic growth and that needed to support the economy it is therefore necessary assess the housing need for the whole of Oxfordshire, not just Oxford (or indeed Cherwell) separately.

The HENA methodology is designed to overcome the issues with SM

9. Use of the standard method projects forward very significantly constrained demographic growth, with its consequential negative impacts. The HENA seeks to identify a methodology to enable an appropriate assessment of housing need. Oxfordshire is considered to operate as a housing market area, with specific and notable influences. The concept remains important as identified in the PPG on Plan Making. Previous calculations of housing need over the last decade have defined Oxfordshire as a housing market area, and this has been accepted (i.e. the SHMA 2014, which was the basis for the last round of local plans including the Oxford Local Plan 2036). As part of the Oxfordshire Plan work an OGNA was agreed by all districts and published. This looked at housing need across Oxfordshire. The intention was then to distribute this

based on a spatial strategy. Whilst work on the Oxfordshire Plan was terminated, that does not mean that the factors relevant to assessing housing need suddenly also become contained within each district. That approach would be incompatible to the evidence gathered as part of previous local plans, the Joint Oxfordshire Plan and the Oxford Local Plan 2040.

10. The OGNA evidence indicates that whilst there is commuting into and out of Oxfordshire, this has also been increasing as a result of housing delivery and workforce growth falling short of economic growth. Oxfordshire currently has a net commuting inflow of 20,500 people as observed in the 2021 OGNA; this is nevertheless more limited than commuting into Oxford, which is 45,900. It is well understood that people move across and between districts of Oxfordshire and do not run their lives solely within the tightly drawn boundaries of Oxford. Indeed, they also move across the less tightly drawn boundaries of the other districts but do tend to live and work within Oxfordshire. Although Covid-19 patterns of working from home were reflected in the most recent Census data, the 2011 Census observed that 16,000 employed Oxford residents (23%) travelled out of the district to work, compared with 45,900 travelling in. Whilst there is movement across the boundaries of Oxfordshire, the most notable feature of the economic area is an economy focussed on Oxford with existing strong nodes of economic activity spread across the county. People move across and between these areas for living, working, leisure and services.

Question 2: How does the HENA arrive at the four scenarios for housing need? What evidence sources and assumptions are used? Are these appropriate and justified?

11. The starting point for the HENA was the Oxfordshire Growth Needs Assessment (OGNA) 2021 (GRO.014). This was commissioned by all of the Oxfordshire authorities to ensure there was appropriate and locally specific analysis of the growth needs for Oxfordshire to inform the Oxfordshire Plan (para 11, 12 OGNA Brief (GRO.015). Exceptional circumstances may be identified which justify an alternative approach to assessing need, which should also reflect current and future demographic needs and market signals. Following on from the publication of the OGNA, the results of the 2021 Census began to be published and clarified that the population estimates used in the standard method were demonstrably inaccurate in Oxfordshire.
12. The aim of the OGNA was to identify numerical scenarios for sustainable housing and economic growth needs in Oxfordshire based on consideration of key drivers including the housing market, demography and the economy (GRO.015). The OGNA Brief (GRO.015) asked the consultants, as a starting point, to advise on appropriate models

and a proportionate evidence base (para 22), recognising that there are well known key factors in the Oxfordshire market such as extreme unaffordability of housing, the connectivity of the area and the strength of its economy. A bespoke approach was required that developed an effective understanding of long-term housing need and did not simply project forward existing patterns of growth.

13. Due to delays to the Oxfordshire Plan, an update of the OGNA was commissioned (in the Spring of 2022) to ensure the most up-to-date data was used. However, the Oxfordshire authorities were unable to come to a common agreement on the methodology and the decision was taken to end the Oxfordshire Plan project in August 2022. When the development of the Oxfordshire Plan ceased, the OGNA update work was also discontinued.
14. In the changed circumstances, Cherwell District and Oxford City Council determined to progress the housing need evidence to support the timely delivery of their Local Plans. Other authorities were also invited to participate. Both authorities considered that the circumstances justifying a bespoke approach to assessing housing need in Oxfordshire still existed, and that the OGNA approach was broadly suitable for use to determine the housing needs of those two districts.
15. As such, the HENA (in Part 7) reviewed and updated the OGNA growth scenarios. The evidence in the OGNA showed that Oxfordshire's 'economic dynamism' was a key driver of housing need and that land supply constraints in Oxford in particular meant that a trend-based approach at district level was not appropriate. The rationale of the OGNA approach was to assess housing need from different perspectives, capturing influences from demographic trends, market signals and the affordability position as well as economic performance. It found that employment growth had been running ahead of housing delivery in Oxfordshire, resulting in a growing surplus in the total number of workers compared to workers resident in Oxfordshire, with consequential increases of in-commuting and deteriorating housing affordability. This was indicative of an objective need for housing arising within Oxford City that would not be reflected by simply projecting forwards past demographic trends, because those demographic trends were based on an undersupply of housing relative to employment growth.
16. The HENA, in seeking to ensure the evidence was as up to date as possible, gave careful consideration to how the scenarios would be updated for 2022, having regard to whether assessing housing need in the context of economic and demographic driven estimates was still appropriate, whether the specifications of each scenario were still

appropriate (particularly in the context of feedback to the published 2021 OGNA) and what updates could be made to the scenarios. Given the buoyant economy, therefore, it was considered relevant and appropriate for the HENA to continue the approach of assessing need from both economic and demographic standpoints. The scenarios were reviewed and refreshed to ensure they take account of latest data and economic circumstances. The table below shows the OGNA scenarios as they compare to the HENA scenarios eventually decided on. The text following the table explains how the HENA scenarios were derived.

Table 2.1: Comparison of HENA and OGNA scenarios

OGNA Scenario	Equivalent HENA Scenario
Standard Method Adjusted	Standard Method
	Census-adjusted Standard Method
Business as Usual	CE Baseline
Transformational	Economic development led

The standard method scenario

17. The NPPF says that the outcome of the standard method is an advisory starting-point for establishing a housing requirement. The first scenario used the Government’s standard method (SM), based on 2014-based household projections, is in accordance with the NPPF guidance (although applied to the whole of Oxfordshire).

Census-adjusted standard method

18. The OGNA had developed a bespoke demographic scenario because of identified issues (see chapter 2 of GRO.014) with demographic data, for Oxford in particular, where past population growth appeared to have been over-estimated (section 7.3 of OGNA). The release of the new census data confirmed the concerns with the accuracy of the data, showing Oxfordshire population to be 18,700 persons higher than indicated by the 2014-based projections (HENA Table 3.6) and provided an opportunity to develop a new scenario that makes a more robust assessment of recent population trends and projections, based on the 2021 Census data, to which the affordability adjustment was applied to provide an accurate picture. This was the second demographic-based scenario, the Census-adjusted scenario (CA).

CE baseline scenario

19. The OGNA also looked at two economic-led scenarios, reflecting the importance of Oxfordshire’s economy in influencing housing need in the sense that there is an intrinsic link between the creation of jobs in Oxfordshire and the creation of housing need in

Oxfordshire. One of these was the business-as-usual scenario and the other the transformational scenario (based on the Local Industrial Strategy (LIS)). The 2021 OGNA used a medium-term growth trend for Oxfordshire in combination with the Cambridge Econometrics (CE) forecasts used in the 2014 SHMA, used to reflect the area's clear outperformance in the decade from 2008. Consultation responses raised questions about this level of outperformance being sustained and as such in the HENA it is noted that the factors that lead to strong economic performance in the local economy, such as access to high skill labour markets, high rates of innovation that tend to remain and support on-going economic growth. However, since that time the global financial crisis, the Covid-19 pandemic and energy and inflation crisis associated with the Ukraine war had resulted in a slight economic downturn. For this reason, and because of the unpredictability of the recovery, new 2022 CE projections of economic growth for Oxfordshire were used, which while accounting for the county's strong past performance, also reflect those economic uncertainties. This is described as the Cambridge Econometrics Baseline (CE-B).

Economic-development led scenario

20. The OGNA transformational economic growth scenario reflected the economic development aspirations of the LIS. It was still considered in the HENA to be a valid exercise to assess the needs of a growth focussed development strategy. However, it was also recognised that plans or projects that inform this scenario should be achievable. The more recent Local Investment Plan (LIP) that followed the LIS, rather than citing a goal of doubling Oxfordshire's GVA by 2040, set a goal to add £1.2bn to Oxfordshire's annual GVA by 2030 (an increase of around £12bn by 2040). The LIP reflects the likelihood that investment projects have had, and are likely to have, national and international investment, but reduces the scale of ambition slightly. The LIP evidence is reflected in the economic development-led scenario (ED).
21. In conclusion, therefore, it has been demonstrated the development of the housing needs scenarios aligns with and updates those in the OGNA and is based on data that shows the economy of Oxford has consistently outgrown the delivery of housing and that this causes a wide range of acute issues, including those of housing affordability and commuting. The scenarios present a range of possible options, bookended by the minimum presented by the standard method, to the maximum growth likely achievable as set out in the LEP's Investment Plan. The standard method scenario represents a baseline minimal level of housing need but builds in constraints on demographic growth and is therefore inconsistent with national policy, but the other scenarios attempt to understand Oxford's real housing need (rather than simply projecting forward past

levels of housing growth). The basic inputs to the scenarios (other than SM) are the 2021 Census, the LEP's Investment Plan and Cambridge Econometrics' economic model, tailored to Oxford and Oxfordshire. These are robust and tried-and tested data sources. There are of course a number of other technical assumptions made in the data and methodology of the HENA. Whilst there have been criticisms aimed at the approach, every care has been taken to review published responses to check whether critical issues with the methodology or process of the HENA have been identified, and advice has been sought from the HENA consultants. Ultimately we do not believe they have demonstrated that we erred from following a sound approach. This answer does not detail every assumption used in the HENA, but the key criticisms of the assumptions set out in South Oxfordshire and Vale of White Horse District Councils' Regulation 19 response (by ORS) are summarised and responded to in the Consultation Statement (CSD.003, Appendix 4, response to H1, page 97). The four scenarios in the HENA use up-to-date demographic data and economic modelling and are a justified and appropriate response to assessing housing need of a high-growth economic area with significant constraints to growth, as Oxford is.

Question 3: What is the basis for choosing the CE Baseline scenario and departing from the standard method scenario? Is this justified?

22. The City Council considered it was important to fully investigate alternative methods of calculating housing need to ensure that the true need was established, given the circumstances that have existed in Oxfordshire over time that have previously justified alternative approaches, and which remain relevant.
23. The Council would highlight that the appropriateness of departing from the standard method in Oxford was considered through the Examination of the Oxford Local Plan 2036. The Inspector (in 2020, DPL.006) found that Oxford was the least affordability city in Britain, there had been a significant long-term deterioration in affordability, and this was having a significant impact on the ability of residents to access suitable housing, constrained economic growth and did not encourage sustainable patterns of movement. He found that housing need at 1,400 dpa was well above the standard method (746 dpa).
24. A departure from the standard method is allowed for by the NPPF if it can be justified by there being exceptional circumstances. The NPPF does not set out what these exceptional circumstances may be, so it is left to the Local Planning Authority to consider whether they exist and if so to evidence what they are. There are a number of reasons that the evidence continues to indicate the standard method is not likely to be

an accurate or appropriate methodology for identifying housing need in Oxford, and those reasons represent the exceptional circumstances that justify a departure and alternative approach to assessing housing need.

25. Background Paper 1 (BGP.001) sets out in detail the NPPF and NPPG background, why a departure to the standard method was considered, and what the exceptional circumstances are. The evidence indicating attention should be given to whether the standard method is appropriate is explained in Background Paper 1. It is evidenced as being essential due to the acute housing issues in Oxford that need to be addressed. The potential negative impacts of underestimating housing need are significant, including that the housing crisis in Oxford is not addressed, thus exacerbating inequalities and that the strong economy and local services are affected as staff cannot be attracted or retained and that long commutes to work continue and worsen. Indeed, the issues attributed to the housing crisis are not limited to these key issues, as demonstrated by the evidence base for the Local Plan 2040.
26. Moreover, with regards to exceptional circumstances, BGP.001 sets out the principal factors for using an alternative method of calculating housing need to the standard method. In summary, these include:
 1. That the 2021 Census data shows that the 2014-based demographic projections are inaccurate in Oxford.
 2. The historic suppression of migration and household formation is evident in the demographic data and wider evidence.
 3. Affordability issues, including the scale of affordable housing need and high levels of in-commuting which means that the affordability uplift in the standard method is insufficient.
 4. Economic growth, including that sustained in Oxford, is not well factored into the standard method.
27. The Housing Need Consultation document (PCD.046 Regulation 18 part 2, 13th February-27th March 2023) summarised the scenarios considered for calculating housing need. Four different scenarios were considered in the HENA. All of the scenarios assessed the need for Oxfordshire as a whole in the first instance for the reasons explained in response to question 2.
28. Because of the constraints on historical demographic growth in Oxford, and the misalignment of demographic trends with the wider evidence of housing needs, the

HENA considered first the scenarios for housing provision at an Oxfordshire level; and then what proportion of this might be attributed to Oxford (which are considered in the response to the next question).

29. The scenarios considered were as follows:

1. The standard method
2. The census-adjusted standard method.
3. The Cambridge Econometrics baseline trend scenario.
4. The economic development-led scenario.

These are set out in more detail paragraphs 6.3-6.6 of BGP.001 and in the HENA (HEA.001).

30. To summarise, the first two scenarios assess housing need based on anticipated additional population and formation of households, with affordability considerations also factored in. The second two, economy-based scenarios, consider how many additional jobs may be created, and from this the population needing homes is estimated, and from that the number of additional households and therefore homes required is calculated. Scenario 1 (standard method) was not selected as the most appropriate method as data collected indicates that circumstances exist in Oxford (and indeed Oxfordshire) that strongly, and exceptionally, support an alternative approach.

31. Scenario 2 (census adjusted method), uses up-to-date demographic data from the Census that when combined with the fact it first looks at the whole of Oxfordshire, helps overcome issues with the Standard Method projecting forward historic suppression of demographic growth. The outcome of this scenario was close to the outcome of scenario 3 (economic development-led), which demonstrates the robustness of these scenarios. However, it was not selected as the most appropriate because one of the justifications for departing from the standard method demographic scenario is that it does not directly account for economic needs, which is an important driver of the housing market. As a result of Oxford and Oxfordshire's position at the heart of a successful economic area with a growing economy, this must be supported by appropriate and adequate assumptions about the number of homes needed to support the economy.

32. Scenario 3 (Cambridge Econometrics) was chosen because it assesses the number of homes needed to support the realistic expectation of economic growth. Overall, this

scenario accounts for the economic factors that have previously led to strong economic past performance, which generally will be expected to remain strong and support ongoing high levels of growth, such as the highly skilled labour market, high rates of innovation and investments. The scenario uses CE's model to forecast jobs growth by applying the 2022 updated projection of economic growth for Oxfordshire. It looks at the performance of a very broad range of economic sectors and makes individual forecasts for each of these, which is then aggregated. The 2022 projections, whilst accounting for Oxfordshire's strong past performance, also reflects the negative GDP shock of the Covid-19 pandemic, as well as the economic uncertainties surrounding 'Brexit' and more recent demographic trends and evidence more generally.

33. The economic-development-led scenario (scenario 4) includes an objective to estimate and understand the development needs associated with Oxfordshire's economic development goals and projects set out in the Oxfordshire Local Enterprise Partnership (OxLEP) Investment Plan. These projects are important to Oxfordshire and of national significance and value. However, there are potential downside risks to economic growth, and it remains possible that macro-economic events and funding constraints may slow projects down or lead to some not progressing. Having regard to the current economic uncertainties, this scenario is not considered to be the most appropriate housing need scenario.
34. Ultimately, though, a level of economic growth is expected to happen (based on the OGNA evidence looking back to 2011), and indeed is a notable feature of the well-performing Oxfordshire economy, and the council must react to it through soundly based forward planning. If the housing need is calculated using the standard method, this will not deliver the homes needed to support and align with this economic growth, or respond to the influence of historical constrains or the affordable housing needs evidence. This will have further negative consequences that further reiterate the need to use the Cambridge Econometrics scenario 3. Either the economic growth will also be suppressed, fewer jobs will be provided, and the economy will be harmed, or the consequences of a growing economy that is not matched by housing growth will be exacerbated. This includes growing housing inequalities, affordability issues and ever-increasing commuting distances, for example. As described above, the chosen scenario reflects the current situation demonstrated by the evidence, which is a justified approach.

Question 4: What is the basis for choosing the apportionment between authorities based on the distribution of forecast jobs? Is this justified?

35. The basis for choosing the apportionment between authorities based on the distribution of forecast jobs is multifaceted. Originally the approach that was agreed was that housing need would be assessed across the county and housing requirement figures established for each district using the Oxfordshire Plan 2050 process. However, following the disbandment of the Oxfordshire Plan, in the absence of a spatial strategy, there are a limited number of ways housing need for Oxford could be assessed and distributed. The evidence considered in detail in the Housing Need Consultation document (PCD.046), which was published in respect of the Regulation 18 Part 2 consultation (13th February-27th March 2023) is particularly pertinent in this regard.
36. The document published for consultation makes clear that the evidence indicates housing need must be calculated for Oxfordshire and it is not possible to calculate Oxford's housing need in isolation from surrounding geographical areas. This is because Oxfordshire operates as a marked housing market area and therefore housing in Oxford is not separate or quarantined from the interconnected wider economic area. Moreover, Oxford itself is also highly constrained and, therefore, considering housing in Oxford in isolation, for instance based on Oxford-specific trends, is also not appropriate as it cannot provide an appropriate or accurate understanding of housing need. Also, partly as a response to the collapse of joint working on the Oxfordshire Plan 2050 and lack of agreement about diverting from the Standard Method, it became clear that the housing need could not be assessed or apportioned in the same way as the previous local plans.
37. As a result, it was agreed with Cherwell District Council that the objective to understand the housing market area would be retained and to continue working on a jointly commissioned HENA. As such, the objective was to utilise an appropriate strategic methodology to calculate the housing needs of Oxfordshire and then start to distribute it in a way that reflects the level of housing need in Oxford and Cherwell as commissioning authorities. As described above, it would not be possible to assess housing need in these two districts in isolation, as they exist within a wider housing market and interconnected economic area. There is no attempt in the HENA to set the housing need for West Oxfordshire, South Oxfordshire and Vale of White Horse District Councils, who will calculate their own housing needs separately using their own proposed methodologies.
38. The intention of the housing need distribution is to reflect the true housing need arising in Cherwell and Oxford, in order to establish their need to inform the preparation of the relevant local plans. Therefore, in seeking to select an appropriate methodology for

assessing housing needs, the HENA considered 3 principal means of distribution. The first of these was to distribute solely by 2014-based standard method. However, due to the local area effects regarding suppressed population growth and household formation identified in the evidence, it is not considered appropriate to use the standard method as a basis for distributing housing across the functional economic market area (FEMA). This is especially the case given Oxford's role as the county's main economic node and driver of the economy with the affordability issues this brings, set against its constrained land supply and consequential weak demographic growth. The evidence also demonstrates the standard method does not reflect accurately where the need is arising from, nor does it accurately reflect future patterns of population change, housing need, nor expected economic growth. Using standard method for district housing distribution across a FEMA results in houses being allocated to the same districts they were built in previously, and fewer where fewer have been delivered previously. As such, homes are not distributed with reference to where the centres of employment might be, raising the prospect of unsustainable development.

39. An approach much more reflective of where real need is generated is to distribute homes based on the distribution of employment, so that the proportion of job opportunities in each district is accurately reflected in the distribution of new housing in a planned and coherent way. Over the plan period, the projection shows a greater concentration of job opportunities being created in Oxford and Cherwell and a lower concentration to South Oxfordshire, the Vale of White Horse and West Oxfordshire District Councils. Because the distribution of jobs is expected to change over time, there is a need to consider whether to apply the current distribution of jobs or the projected distribution of jobs at the end of the period (2040) as the means of assisting in planning for residential development. The HENA recommends distribution according to the 2040 employment-led distribution, stating: 'the assumption of a static distribution through the plan period does not reflect the dynamic nature of the labour market and geography of expected employment growth. Specifically, it does not account for the baseline forecast that Oxford and Cherwell are set to further develop as the drivers of the wider FEMA economy... As such, the employment led distributions represent the more appropriate approach of those considered for distributing the FEMA's housing need, given that the geography of employment growth will influence that of housing need, the link to balancing the provision of homes and jobs, and the associated sustainability benefits. Furthermore, given the need for Local Plans to plan for the period to 2040, it makes sense, when using an employment-based distribution of housing, to select the distribution based on where the jobs are expected to be at the end of the plan period,

rather than the beginning. This recognises the role which the geography of future job creation will have on that for housing need.’ (HENA para 7.6.12-7.6.13 HEA.001)

40. The table below shows that the standard method flattens out and suppresses unevenly the need and does not reflect the levels of difference between the districts in terms of where jobs are expected and therefore where the housing need is generated. This is particularly the case for West Oxfordshire, where the proportion of jobs growth expected is significantly below the proportion of homes according to the standard method, and Oxford, which shows the complete opposite pattern. The approach adopted is considered appropriate in responding to where the need arises, and to supporting the NPPF aspirations around sustainability, including congestion, emissions and net zero aspirations through reducing the need to travel.

Table 4.1: Comparison of need based on each distribution method in the HENA

District	Standard Method proportion %	Annualised need based on SM distribution of CE baseline need	2020 jobs proportion %	Annualised need based on 2020 jobs distribution of CE baseline need	2040 jobs proportion %	Annualised need based on 2040 jobs distribution of CE baseline need
Cherwell	21.9	965	21.5	949	22.9	1,009
Oxford	22.5	991	26.7	1,179	30	1,322
South Oxon	18.9	834	19.5	857	18	793
Vale of White Horse	19.5	860	18.5	817	16.2	714
West Oxon	17.2	757	13.8	607	12.8	564

Question 5: What are the objectives of identifying a housing need of 1,322 homes per annum (26,440 over the plan period) for Oxford City and what are the intended outcomes?

41. The objective when undertaking the HENA was to identify as accurately as possible the true level of housing need that exists, in accordance with the requirements of the NPPF. Indeed, there is a requirement to ensure that housing need is assessed on an unconstrained basis, is fully understood and that this informs the preparation of the Local Plan, which should seek to meet these needs.

42. The Oxford Local Plan 2040 has been prepared within that context, having regard to what is being demonstrated in the evidence base. Calculating need by alternative methods than the standard method leads to a higher level of assessed housing need, because standard method underestimates need in Oxford. However, other Oxfordshire

authorities are already making significant contributions to meeting unmet needs over the plan period through their existing local plans. There are a number of positive outcomes to be expected from fully understanding housing need, or a number of negative potential consequences of accepting the lower level of housing need from the standard method.

43. These potential outcomes are best highlighted by considering the negative impacts of the housing crisis in Oxford, which will not be addressed unless an attempt is made to deliver enough homes to meet the need. The evidence indicates a substantial housing need and also an affordability crisis in Oxford, which is exacerbated by the lack of availability of homes, and the lack of affordable homes. This leads to and compounds further housing inequalities, most notably evidenced by the acute need for affordable housing which the HENA quantifies as 740 homes a year. Furthermore, the less housing need is planned for where it arises, the more people will be required to travel further to their chosen places of work and when accessing the facilities and services they need.
44. Moreover, if there is not enough housing, the economy will also not be supported as employers will not be able to attract or retain staff. Oxford has a large number of opportunities for skilled employment, with a strong knowledge economy including internationally important research and development. These are in vital industries including for example in healthcare, life sciences, and renewable energy technologies. It is the focus of many facilities and services, many of which overlap with the knowledge economy, for example with the education institutions and the renowned hospitals which must be supported.
45. Importantly, understanding housing need is only part of the picture in terms of ensuring the Local Plan 2040 plans for appropriate development in Oxford within the plan period. The constrained nature of the city (which itself makes calculating housing need accurately by use of the standard method inaccurate) the constraints mean that housing need cannot be met or planned for within the city itself to any greater extent than that identified in the Local Plan 2040. Whilst this means there is identified unmet need, this is not an intended final output of the exercise; identifying need and unmet need is essential to ensuring the negative outcomes of not meeting housing need at all or close to where it arises are avoided, reduced or mitigated as far as possible.
46. Therefore, it is demonstrated that accurately understanding the level of housing need arising is essential in achieving positive outcomes through setting objectives for development and preparing soundly based and justified policies of the Development

Plan. Planning for the absolute minimum of housing need permissible through the standard method (despite evidence of a much greater housing need) would be irresponsible and would not deal with the known housing need. It would also not meet the objectives of the Local Plan. The detrimental consequences of such a position would be significant as it would not provide a positive vision for the future of the area nor help achieve sustainable development as required by national planning policy. The main objective in assessing housing need through the HENA was to comply with national policy in terms of complying with national policy and developing a spatial strategy based on that understanding, achieving in particular the following outcomes in line with the NPPF:

- Addressing the housing crisis (NPPF para 60, 61)
- Underpinning economic growth (NPPF paragraph 85)
- Reducing commuting distances and therefore emissions (NPPF paragraphs 108-110).

CAPACITY WITHIN OXFORD CITY AND THE RESULTANT HOUSING REQUIREMENT

Question 6: How has the capacity to accommodate housing within Oxford City been assessed? Has the process been sufficiently thorough and robust? Could the capacity estimate be increased by altering assumptions or policy approaches? If so, what effect would this have?

How the capacity has been assessed?

47. The capacity of Oxford to accommodate housing is assessed in the Oxford Housing and Economic Land Availability Assessment (HELAA) (HEA.003). Preceding the 2023 update, an interim HELAA was published in 2022, and prior to that in 2019. The 2022 Interim HELAA was published alongside the Regulation 18 Part 1 consultation. It updated the base date of the assessment from 2016 to 2020, to align with the Local Plan 2040 plan period 2020-2040, as well as any necessary updates to sites information at that time.
48. The 2023 HELAA (HEA.003) was published alongside the Regulation 19 consultation. It further updates landowner intentions, planning status, call for sites information and other evidence such as updating the windfall assumption to take account of latest completions data at that time (September 2023). The 2023 HELAA is supported by an addendum, produced in March 2024 (HEA.004) and published at submission. The Addendum focuses only on issues and sites where new or updated information was received in representations at the Regulation 19 stage. It also captures information related to planning consents and commencements in the period between the 2023 HELAA (published at Regulation 19) and the Submission of the Plan, to ensure that the

site delivery information is as up to date as possible for the examination, because the HELAA is a 'snapshot' of capacity based on information at that time. The Addendum does not replace the 2023 HELAA but is intended to supplement it.

49. The HELAA is in accordance with the methodology set out in the Planning Practice Guidance (PPG) and also aligns with the Oxfordshire Joint HELAA methodology developed and agreed by Oxford City, the four District Councils in Oxfordshire and the former Oxfordshire Plan 2050 team in 2021 (HEA.005). Also see response Matter 2, Question 7 about the preparation of the HELAA. The Joint Method helps to ensure a similar approach and assumptions in the district HELAAs, resulting in a more consistent picture of land availability across Oxfordshire as well as a clear understanding between the authorities about the approach and key assumptions. The jointly agreed method recognises that it is appropriate to retain some variation in approaches to ensure a thorough and robust local process and to take account of local circumstances, in particular acknowledging that land availability in Oxford is more constrained compared to the more rural authorities (see Matter 2, Question 7 for more detailed explanation of the variations). Although work on the Oxfordshire Plan 2050 has since ceased, this methodology is valuable as it demonstrates a clear understanding between authorities and that the approach taken in Oxford is consistent and agreed with officers across Oxfordshire.

Capacity Assumptions and could the capacity be increased?

50. With specific reference to the capacity assumptions in the HELAA, the capacity calculations for sites are shown in Table B (HEA.004 is the most recent iteration). The process and assumptions are set out in section 2.2 of the HELAA (HEA.003) and supplementary explanation in HEA.004.
51. A significant consideration about the capacity calculations, is that a substantial amount of the identified supply of capacity is already fixed, because sites have been built out since the start of the Plan period (2020) and many others are already under construction. The capacity estimate for these sites cannot be increased by altering assumptions or policy approaches. This can be summarised here as follows:
- There are 79 sites in Table B (HEA.004) which sets out the capacity from identified sites. It is significant that 30 of these 79 sites in Table B have either already been completed within the Plan period (since 2020) or are under construction (as at March 2024). This means the capacity assumption for those sites (totalling 2,380 homes) is already 'locked in', so any speculation about

capacity assumptions or policy approaches is irrelevant to those sites and that proportion of the identified capacity of Oxford.

- A further 13 sites have an extant permission (or a resolution to grant permission subject to S106) but have not yet commenced construction (capacity 1,358 homes). The planning permissions provide site-specific evidence of a realistic and deliverable capacity for that site, reflects current landowner intentions, viability, and has been concluded as appropriate development for that site by the planning authority: as such it would not be reasonable to try to apply a theoretical assumption about capacity in the HELAA because there would be little evidence that it would/could be delivered compared to the figure in the extant planning permission. Arguably the capacity estimate of those is also reasonably fixed, but as they have not yet commenced construction they are included in this commentary.
- Of the residential sites in Table B which don't have planning permission, all but one site (ie 35 sites / 2863 capacity) have a site allocation policy in LP2040 so have been subject to detailed site-specific testing of capacity. The process for identifying capacity assumptions in the site allocation policies, is explained further in The Site Assessment Process (Urban Design and Assessment of Housing Capacity) background paper (BGP.015a), including site assessment (incorporating Sustainability Appraisal) proformas and site-specific urban design assessments. The policy approach for each of these sites is explained in the supporting text for the site allocation.

52. In developing the site allocation policies, landowners were engaged with to test the capacity assessments of sites and deliverability. The site allocation figures were also informed by site-specific urban design assessments, which considered site constraints and opportunities in more detail to ensure the assumptions are based on the most up to date evidence for each site. All the key conclusions from the Urban Design Assessments and decision-making related to capacity/minimum residential figure, is then explained in the site allocation policies and supporting text, including references to other relevant policies that will influence development or capacity of the site (eg flood risk, urban green factor, heritage constraints etc).

53. It should also be noted that the policy approach is that site allocation policies do not restrict or cap the level of development onsite if an acceptable proposal is put forward at planning application stage. Indeed, we anticipate that some landowners may seek to pursue higher numbers for some sites, where appropriate, in planning applications. However, this expectation would not yet be a robust basis for the HELAA or the site

allocations policies because they have not demonstrated that an acceptable and policy-compliant scheme can be delivered at that quantum.

54. Where there is a site allocation or a planning permission for student accommodation presented as number of rooms, this figure was divided by 2.5 (the national ratio set out in the Housing Delivery Test) to provide a “dwelling equivalent figure” whilst self-contained accommodation is counted as 1:1. A small number of sites in Table B have a capacity of zero listed, as explained in the HELAA paragraph 2.2.4 (HEA.003).
55. This leaves only 1 site in Table B where there is no planning permission or site allocation, so a density typology has been applied to inform the capacity assumption for Table B: Site #613 (capacity assumption 12 homes). The density typologies and bandings were developed in the context of the characteristics of Oxford demonstrated in the evidence base and the local plan policies for future development.
56. As part of their respective Regulation 19 representations, South Oxfordshire and Vale of White Horse District Councils (008. Rep 3, 172 – South - Appendix 1 & 173 – Vale – Appendix 1) commissioned a report “The Capacity Assessment of Oxford City” (CAR) as a counter-assessment of Oxford’s housing capacity. The report includes recommendations and suggested actions in relation to the capacity and level of residential supply in Oxford. These proposals and recommendations have all been reviewed and considered in detail. Where appropriate, changes have been incorporated in response to comments made in the CAR or Regulation 19 representations, or further explanation provided, via the HELAA addendum March 2024 (HEA.004). For example, in the Addendum, further explanation is provided about the non-implementation discount, and it has also been re-worked to only apply to sites which have not yet commenced (ie it has now been applied to fewer sites, so the capacity assumption has slightly increased); Further explanation about the trajectory and five year totals has also been provided in the Addendum, along with a graphic illustration provided, in response to comments in the CAR. ; Further clarification is also provided about the site size threshold and the windfall assumption, in response to comments in the CAR; The HELAA addendum also includes assessment of 12 new sites proposed in the Capacity Assessment Report (CAR). The 2020-2040 capacity figure in Policy H1 for LP2040 was then updated (from 9,612, to 9,851 or 493dpa) to take account of these and the other changes explained in the Addendum (HEA.004) (mainly updates to planning application status to March 2024), and a more detailed housing trajectory produced (see Main Modification for Policy H1 Housing Requirement CSD.009).

57. A more detailed response to the comments raised in the Capacity Assessment Report (CAR) has been prepared. The purpose is to assist the Inspectors in understanding the housing capacity assessment that was undertaken in support of the Local Plan 2040. This is attached as an appendix to this question – **Appendix 1 of this document**. It explains that we are confident in the thoroughness of the search for sites, the rigour of the HELAA approach, and the regular updates to our information about sites and landowner intentions, which all result in a robust calculation of capacity for the Plan period.

Question 7: Is it appropriate to set the housing requirement to exactly match the identified capacity (not withstanding the use of some discounting)? What implications would this have for future assessments of housing land supply? Should more flexibility be built in between the requirement and the estimate of capacity?

58. The housing requirement set out in Policy H1 is capacity-based rather than the full housing need. Given the scale of the need identified, and the resultant unmet need, it has been important to maximise capacity within the city. The requirement in H1 has therefore been set to match the identified capacity (note the requirement has been updated in the proposed main modification to Policy H1 at Submission stage (CSD.009)). This capacity-based approach is also applied in the current Local Plan 2036, and in the Core Strategy prior to that, so it has been operational in Oxford for some years now, and has been demonstrated as an appropriate policy approach. The capacity assessment for the Oxford Local Plan 2036 also used a 10% discount for non-delivery, and the City Council has been able to meet the Housing Delivery Test and demonstrate a 5 year housing land supply since its adoption.

59. A 10% non-implementation discount is applied in the HELAA calculation of capacity, to account for the risk of non-implementation of sites. The reasons why the discount is appropriate and how it is calculated, are set out in full in the HELAA Addendum (HEA.004, page 3). The reasons for the discount reflect the nature of the supply of sites in Oxford (which is predominantly small brownfield sites and complex,) and are important to ensure that the capacity-derived housing requirement figure is robust, realistic and reflects local circumstances. The discount is only applied to sites identified in Table B of the HELAA that have yet to commence construction (49 sites). The discount is not applied to the windfall calculation, to minor commitments, or to sites that are either currently under construction or have already completed within the plan period.

60. The housing land supply is deliverable and realistic throughout the plan period, as set out in the housing trajectory (see HELAA Addendum (HEA.004, page 7)). The annual fluctuations in delivery that are forecast in the trajectory, are normal in Oxford because of the constrained and complex typology of sites comprising the housing land supply, as evidenced in the published monitoring data of previous years' completions rates (SUP.004, SUP.005, SUP.006). The projected overall supply reflects the many small sites encompassed in the projected supply. Furthermore, the projected supply is based on the current available evidence and is likely to underestimate slightly the delivery rates in the latter years of the plan. Indeed, those later-year sites may not yet have progressed sufficiently to understand the final numbers, or are sites that will come forward as windfall and are therefore not known about at this point. The evidence indicates that more up to date information is likely to become available from landowners and/or planning permissions in place as time progresses. These alongside site allocations in future local plans, will all improve the housing land supply situation for those latter years, during the plan period.

UNMET HOUSING NEED

8. How and where is it intended to meet the unmet need of 841 homes per annum (16,828 over the plan period)?

61. Oxford's unmet need, based on the housing requirement set out in Policy H1 of the Regulation 19 consultation document, is 841 dwellings per annum (dpa) (1,322 dpa as the assessed need, annualised, minus the 481 dpa housing requirement to be met in the city). The proposed main modification to Policy H1, based on updates to capacity using the most recent data on submission, suggested an updated housing requirement of 493 dpa, which would lead to a very similar but slightly lower unmet need of 829 dpa.
62. Most unmet need over the Local Plan period 2020-2040 will be met on existing sites that were allocated to meet Oxford's housing need arising from the Oxford Local Plan 2016-2036. These sites are allocated in extant and adopted plans, and in most cases a commitment has been made in the districts' Regulation 18 consultations for the next round of Local Plans to continue to allocate those sites and accommodate Oxford's unmet need. This is considered further below.
63. The majority of the proposed Oxford Local Plan 2040 plan period overlaps with that of the previous round of local plans in Oxfordshire, which run to 2031 or 2035, compared to the Oxford Local Plan 2036. Therefore, it is pertinent to consider the proposed Local Plan 2040 in the context of what has already been agreed and planned for in

Oxfordshire. Firstly, as part of previous working arrangements, the SHMA identified housing need for Oxfordshire over the previous plan period (2016-2036) of 100,060 homes. Planning for this began with a 'working assumption' of Oxford's unmet housing need for almost 15,000 homes for the period 2011-2031, apportioned and allocated as follows through a memorandum of understanding:

Table 8.1: Agreed apportionment of unmet need arising from LP2036

District	Apportionment (2011-2031)
Cherwell	4400
Oxford	550
South Oxfordshire	4950 (South Oxfordshire did not sign the MoU although this figure is incorporated within the South Oxfordshire Local Plan 2034)
Vale of White Horse	2200
West Oxfordshire	2750
Total	14,850

64. Following on from that, each of the Oxfordshire authorities worked towards progressing plans for the above agreed figures through the last round of local plans, with provision made in those plans for an adjusted total of 14,300 homes to meet Oxford's unmet need in the other districts (14,850 in total minus the 550 eventually apportioned for Oxford). This was the majority of the total assessed unmet need of 17,116 homes (2016-2036 time period).

65. Therefore, with regards to the proposed Oxford Local Plan 2040, whilst the overall unmet need for Oxford over the plan period (2020-2040) totals 16,589 (26,440 need minus 9,851 capacity (in Main Mod)), it is the case that 14,300 of those homes have already been planned for in currently adopted Local Plans for West Oxfordshire, Cherwell, South Oxfordshire and Vale of White Horse (leaving 2,289). Due to a range of factors however (many of those sites are large and complex) it is expected all those unmet needs sites to be delivered during the plan period of the Oxford 2040 Local Plan (i.e. the homes were not delivered before the start of the plan period of 2020). Whilst the site allocations to deliver the unmet need are currently in extant plans, the Regulation 18 documents for consultation of each of the districts' new Local Plans indicate that these are also proposed to be retained or carried over into many of the new Local Plans.

66. The Regulation 18 consultations for the relevant plans show that South Oxfordshire, the Vale of White Horse and Cherwell District Councils intend to continue to accommodate

Oxford's unmet need to 2036 (West Oxfordshire has not yet carried out a Regulation 18 consultation for their new Local Plan).

67. Firstly, in the joint South Oxfordshire and Vale of White Horse District Councils' Regulation 18 consultation document, it is stated that, in addition to the proposed housing requirement for South Oxfordshire from the standard method, '...we have previously agreed through the last Local Plan to accommodate 4,950 homes for Oxford's unmet need for the period 2021-2036.' Specifically for Vale of White Horse it is explained that, in addition to their standard method requirement, '...we have previously agreed the last local plan to accommodate 2,200 homes for Oxford's unmet need for the period 2019 to 2031.' (Policy HOU1, Chapter 6, no paragraph numbers).
68. Additionally, Cherwell District Council Local Plan Review 2040 Regulation 18 consultation (22 September 2023-3rd November 2023) includes an assumption that the level of Oxford's unmet need that should be met in Cherwell is some 1,322 homes per annum (paragraph 3.170). The Cherwell plan figure has taken the proposed amount of unmet need in Oxford City Council's Regulation 18 Part 2 document then distributed amongst the Oxfordshire districts on the same basis as the unmet need from the SHMA 2014 apportionment). Sites from the Cherwell Partial Review are also factored into the housing supply for the 2020-2040 period, with 4,400 factored into the deliverable supply (e.g. paragraph 3.182 of Cherwell's consultation draft Cherwell Local Plan Review 2030). As such, the principle of Cherwell planning for the delivery of unmet need (2020-2040) is included in the plan, although it also states that this working assumption will be kept under review as the plan process continues.
69. West Oxfordshire have not yet published a preferred options Regulation 18 document consultation for their next Local Plan to indicate their intentions in terms of taking forward the previous commitment to accommodate 2,750 homes for the 2036 identified unmet need. However, their adopted Local Plan provides for these homes to be delivered on just two named sites: West Eynsham where 550 homes out of a total of 1,000 homes are identified for Oxford's need (Policy EW2), and the larger remainder at Salt Cross Garden Village which is allocated for 2,200 homes (Policy EW1). West Oxfordshire have produced a Draft Area Action Plan, which is currently at examination, for the Salt Cross site which states: "*the garden village has been allocated in response to Oxford's unmet housing needs*" (paragraph 10.43) and "*West Oxfordshire's view is that there should be a balanced mix of affordable housing opportunities for both Oxford and West Oxfordshire residents within the garden village*" (paragraph 10.44). The Salt Cross AAP is currently at examination; the Planning Inspector's Report issued in March 2023

found that the draft zero-carbon policies went beyond national policy and set out Main Modifications which substantially amended them, however that Inspectors' Report and those Main Modifications were recently successfully overturned at the High Court and it has since been confirmed that a new Inspector has been appointed to reopen the Examination and examine the remitted part of the AAP, which provides confidence of West Oxfordshire's commitment to that policy framework.

70. The Joint Statement of Common Ground (COM.002) sets out that other districts, apart from Cherwell, do not accept the City Council's assessment of need. It also outlines that the other districts have not, at present, accepted the City's capacity assessment. It is agreed by all in the SoCG that any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for, and that this should inform Local Plan strategies where it is practical to do so and is consistent with achieving sustainable development (paragraph 34 COM.002).
71. Therefore, the identified unmet need arising from the proposed Oxford Local Plan period of 2020-2040 could be planned for in surrounding districts. Most notably, with reference to the Joint Statement of Common Ground and emerging Regulation 18 Local Plans, most of the need arising from the proposed Local Plan 2040 will be planned for in surrounding districts in the following ways:
- Commitments from South Oxfordshire and Vale of White Horse District Councils that existing sites in their respective currently adopted Local Plans will be retained in those two districts.
 - Commitments from Cherwell District Council that unmet need will continue to be planned for in Cherwell.
 - Commitment from West Oxfordshire District Council to proceed with the examination of the Salt Cross AAP.
72. The unmet need will largely be planned for on sites that it has already been agreed are appropriate for delivering Oxford's unmet need from 2031-2036. The apportionment of which has been informed by the LUC Spatial Strategy and individual plan-making exercises in the relevant districts. This process considered the connectivity of different areas to Oxford and the availability of sites. The unmet needs sites are either attached to Oxford and proposed as urban extensions or within easy reach of it by sustainable means. Indeed, there are opportunities available to the surrounding district councils to plan for the full Oxford unmet need for 2020-2040 in their districts, especially in the context of the currently adopted Local Plans and emerging draft Local Plans.

9. What agreements are in place to do this and what is the position of other authorities including in relation to continuing commitments in existing adopted Local Plans?

73. As described under question 8, the agreement to meet an apportionment of unmet need was first established through a Memorandum of Understanding (GRO.004), which was progressed collectively via Oxfordshire Growth Board meetings in 2016. The subsequent adopted local plans include allocations for sites which were identified through joint strategic working. Indeed, there is a commitment to deliver the unmet need to 2036 in the current round of local plans (see Table below), including site allocations.

Table 9.1: Committed unmet need and relevant local plan document

District	Unmet need apportionment (2011-2031)	Provision for unmet need in adopted local plan
Cherwell	4400	Cherwell Local Plan 2011-2031 Partial Review – Oxfords unmet housing need Adopted September 2020
South Oxfordshire	4950 (South Oxfordshire did not sign the MoU although this figure is incorporated within the South Oxfordshire Local Plan 2034)	South Oxfordshire Local Plan 2035 Adopted December 2020
Vale of White Horse	2200	Local Plan 2031 Part 2: Detailed Policies and Additional Sites Adopted October 2019
West Oxfordshire	2750	Local Plan 2031 Adopted September 2018 And Salt Cross Area Action Plan , Examination ongoing.

Table 9.2: Showing Regulation 18 consultation documents from districts so far indicate current provision/sites will be maintained.

District	Consultation document	Position on unmet need provision (also summarised in COM.002)
Cherwell	Cherwell Local Plan 2040 (September 2023) Regulation 18. <i>Reg 19 due Autumn 2024</i>	Recognises that there may be potential for additional unmet need from Oxford City in the period to 2040 in addition to the 4,400 it has already committed to delivering as part of its adopted development plan.
South	Joint Local Plan 2041	Plan incorporates the existing agreed unmet

Oxfordshire	Preferred Options (Reg 18) January 2024 <i>Reg 19 due Autumn 2024</i>	needs of Oxford City of 4,950 for South Oxfordshire and 2,200 for the Vale of White Horse District
Vale of White Horse	Same as SODC	Same as SODC
West Oxfordshire	Local Plan 2041 Regulation 18 August 2023, with additional Reg 18 <i>Preferred Options due June 2024</i> Draft Salt Cross Area Action Plan Currently at examination	Adopted Local Plan committed to delivering 2,750 new homes to assist Oxford City in the period 2021 – 2031. The Salt Cross site is intended to accommodate the majority of WODC’s portion of Oxford’s 2036 (Policy EW1 of the adopted WODC Local Plan 2031)

74. The commitment to provision for unmet need is also addressed in the **Joint Statement of Common Ground (COM.002)**, signed by Cherwell, Oxford, South Oxfordshire, Vale, and West Oxfordshire district councils. The SoCG explains that they are not disputing the agreed provisions in existing plans. In addition, there are also bilateral agreements in place (or in progress) between the councils over the affordable housing element of the provision for unmet need, to deal with practical matters such as affordable housing on unmet need sites.

Table 9.3: Nominations agreements in place for affordable housing

District	Affordable housing nominations agreements
Cherwell	Agreement in progress (at May 2024)
South Oxfordshire	Memorandum of Understanding regarding the operation for addressing the affordable housing element of Oxford City’s unmet housing needs with the assistance of South Oxfordshire District Council, June 2023
Vale of White Horse	Memorandum of Understanding regarding the operation for addressing the affordable housing element of Oxford City’s unmet housing need with the aid of Vale of White Horse District Council, October 2022
West Oxfordshire	Memorandum of Operation for addressing Oxford City’s unmet need in West Oxfordshire

75. Together, these different elements demonstrate and confirm the commitments to delivering substantially the provisions for unmet need in existing adopted Local Plans and those currently emerging. Indeed, whilst there remains some dispute regarding some elements of the unmet need arising for 2020-2040 most of it is already planned for in the surrounding districts. Moreover, as they are still emerging, there are opportunities for the surrounding districts to plan for unmet need as they progress with new Local Plans.

Question 10: How do housing requirements in adopted Local Plans in other authorities compare with standard method calculations of housing need?

76. The council can provide some key figures to assist in understanding the matters raised by this question. Firstly, table 7.4 in the HENA (HEA.001) sets out the standard method housing need calculations, based on the latest data in 2022 and government guidance.

Table 10.1: Extract from Table 7.4 in HENA, standard method (2022)

	Cherwell	Oxford	South Ox	VoWH	West Ox	Oxfordshire
Uncapped need (pa)	742	856	641	661	582	3482
Capped need (pa)	742	762	641	661	582	3388

77. Since submitting the Plan in March 2024, updated affordability data has been released by Government, which results in the following adjustments to the standard method figures (capped figures):

Table 10.2: Updated Standard Method figures

	Cherwell	Oxford	South Ox	VoWH	West Ox
<i>2022 data (as in HENA)</i>	742	762	641	661	582
<i>2023 data</i>	710	762	605	628	570
Updated to 2024 affordability data	706	762	579	633	549

Table 10.3: Comparison with the housing requirements in adopted Local Plans

District	Housing need and unmet need in current LPs	Annualised housing requirement from when Oxford’s unmet need factors in, (Note this ignores stepped trajectories, uses different start dates for unmet need and different end dates)
VoWH	1,028pa +183 for unmet need 2019	1,211

	onward	
West	2011-31 15,950 derived from 13,200 WOx need, 2,750 2021-31 unmet need	935
S Ox	18,600 for S Ox 2011-35 4,950 unmet need 2021-2035 =23,550 total need over plan period	1,190
Cherwell	1,240pa Cherwell's need, 4,400 in unmet need	1,580

Please also see response to Matter 3, Question 11 about capacity in districts.

Question 11: Will the full unmet need realistically be delivered by other authorities?

78. At the current time, as set out in the responses to questions 8 and 10 in Matter 3, unmet need from the 2036 Plan is being met in extant plans of the surrounding districts, and there are commitments to carry forward allocations/housing requirements into new plans or keep them in extant plans (e.g. Cherwell's Partial Review for Oxford's Unmet Need). However, it is also the case that no districts have stated they are going to accept Oxford's assessment of its capacity before the Oxford Local Plan 2040 goes through an examination process. In addition, except for Cherwell, neither will they accept the assessment of need (set out in the HENA) before it goes through the examination process. Therefore, whilst the majority of Oxford's unmet need is being met on allocated sites in adopted Local Plans, there is a small amount of additional unmet need (c.2,289 if using the requirement of 8,851 in the proposed Main Modification to the housing requirement in Policy H1) that is not committed to in emerging local plans of the other Oxfordshire districts.

79. However, none of the surrounding districts have yet reached Regulation 19 consultation stage, and there is still significant opportunity for the remaining unmet need to be planned for. The limited amount of unmet need for the 2036-2040 period is smaller than the amount of unmet need that was remaining on adoption of the Oxford Local Plan 2036. That was because the previous apportionment of unmet need was based on a previous working assumption of Oxford's capacity, which is demonstrated to have been an overestimate. Oxford's Local Plan 2036 process also followed behind the other district's plans (other than South Oxfordshire's) that were based on the 2014 SHMA assessment of housing need.

80. It will be a matter for each district to decide how best to plan for unmet need and allocate appropriate sites for development, although continued discussions at an

Oxfordshire-wide level will be required. Ultimately, however, within existing Local Plan arrangements, there is demonstrably sufficient capacity on existing adopted site allocations explicitly or nominally for Oxford’s unmet need to enable the residual unmet need to be delivered. Those sites are already assessed as being appropriate for meeting Oxford unmet need, they are in locations well-connected to Oxford, and already benefit from site allocations in Local Plans, as set out in the table below. Of course, whether districts continue to allocate these sites and to treat them in the same way as being for Oxford’s unmet need will be a matter for their own local plan reviews.

81. It is important to note that in the time since those allocations were made there has been significant progress towards delivery on some of them. Indeed, in some cases, when the more detailed work involved in moving through the planning application process to consent has been carried out, it has demonstrated that some sites can accommodate more homes than was envisaged in the allocation. Several of these sites have already come forward since 2020 (i.e. since the start of this plan period) with nomination rights for Oxford City Council. The table below collates those sites from within adopted plans which are already allocated to meeting (at least an element of) Oxford’s unmet needs. The final column seeks to provide an indication of site status. This has been compiled with the assistance OPPO colleagues, but has not been collectively agreed. However, the City Council considers this to be a helpful indication of the current position, even caveated that this can only ever be a snapshot in time (end of 2023).

Table 11.1: Allocated sites which are specifically, partially or nominally for Oxford’s unmet need to 2036, noting where additional capacity is already demonstrated

Site Location	Allocated housing number	Status
<u>Cherwell</u>		All of the sites below were specifically allocated to address Oxford’s unmet need.
PR6a East of Oxford Rd	690	Outline application for up to 800.
PR6b West of Oxford Rd	670	No application yet, so assume 670.
PR7a South East of Kidlington	430	Two applications for 370 + 96 = 466.
PR7b At Stratfield Farm	120	Two applications for 118 + 4 = 122.
PR8 East of the A44	1950	One application for approximately 1,800, EIA scoping on another part for 300. May be more on smaller parts. Assume 2,100.
PR9 West of Yarnton	540	Outline application for 540.
Total (All require 50% affordable housing)	4,400 (same as reqt)	<i>Running total above = 4,698</i>

<u>South Oxfordshire</u>		No sites were specifically identified in the Local Plan, but these three sites require 50% affordable housing recognising their location close to Oxford.
Bayswater Brook	1,100	Outline application for up to 1,570 (including 120 assisted living units). 1,513 net
Northfield	1,800	No application yet, so assume 1,800
Grenoble Road	3,000	No application yet, so assume 3,000
Total (The three sites above require 50% affordable housing)	5,900 (950 more than reqt)	<i>Running total above = 6,313</i>
<u>Vale of White Horse</u>		The Local Plan refers to providing sites in the Abingdon and Oxford Fringe Sub-Area which would include the allocated sites below as well as others in Marcham, East Hanney and Kingston Bagpuize.
North Abingdon	800	Consent for 950 + 80 bed care home (42 units). 992 units total.
North West Abingdon	200	Consent for 200.
Dalton Barracks	1,200	No application yet, so assume 1,200, even though there is a wider site with a known larger capacity.
South Kennington	270	Consent for 283.
North West Radley	240	Consent for 240.
Total (These sites require 35% affordable housing)	2,710 (510 more than reqt)	<i>Running total above = 2,915</i>
<u>West Oxfordshire</u>		The Local Plan records that 550 houses out of the 1,000-house allocation at West of Eynsham and all 2,200 houses at the Garden Village are identified for Oxford's unmet need.
West of Eynsham	550 (out of 1,000)	Consent for 160 completed Consent for 77 Application for 180. Assume 1,000
Salt Cross Garden Village	2,200	Outline application for 2,200.
Total (These sites and others require 50% affordable housing)	2,750 (same as reqt)	<i>Running total above – 3,200.</i>
		<i>Running total capacity = 17,126 (2,846 more than agreed)</i>
		<i>Residual unmet need = (2,517)</i>

82. The table demonstrates that Oxford's unmet need from 2020 to 2040 can be reasonably and sustainably accommodated within sites specifically, partially or nominally already allocated to meet Oxford's unmet need to 2036. The City Council believes that emerging plans in surrounding districts should specify that housing on these sites are for Oxford's unmet need, as this would aid clarity and provide for additional levels of unmet need,

and has made representations to that effect in response to consultations. This would also assist in planning for development in a coherent strategic spatial planning framework. Indeed, if the above table is an accurate representation of the situation, a further benefit for those authorities of doing so, would be that no additional sites to these existing allocations would, therefore, be likely to be needed in order to accommodate Oxford's entire unmet need for the proposed Local Plan 2040 time period of 2020-2040.

Question 12: What are the implications for emerging Local Plans in these authorities?

83. The implications for Local Plans in surrounding authorities has largely been described in earlier responses in Matter 3. In particular the table in the response to Question 11 above, illustrates how several of the unmet need sites identified in current local plans are likely to have greater capacity than originally anticipated. This is because, for example, some already have planning permission for greater than the original assumed capacity, on some the landowners have indicated that they are intending to develop at greater densities than previously assumed, and for some it has already been identified that there is scope for extending the site as a "phase 2". Further opportunities may be identified as the plans progress, utilising the currently planned for sites to deliver unmet need.
84. Having regard to the fact existing adopted Local Plans have planned for most of the unmet need arising due to overlapping plan periods, the remaining additional unmet need to be planned for the period 2036-2040 is calculated as being in the region of 2,289 in *total* across the authorities (not each). Therefore, the table in question 11 does clearly show how this residual unmet need for 2020-2040 could be delivered on existing unmet need sites in an acceptable way. As a result, there is the potential that very few or no new sites would need to be allocated for development in the emerging Local Plans for the surrounding districts. The districts Local Plans could be taken forward with very similar spatial development strategies to those previously found legally compliant, soundly based, in accordance with national planning policy and subsequently adopted.
85. The evidence demonstrates that there will be some residual unmet need arising in the proposed time period of 2020-2040, but this can be adequately and strategically planned for and addressed within the scope of emerging plans. The Table in Q11, Matter 3 above further reinforces the fact that opportunities are already being identified that would allow the districts to plan for and accommodate Oxford's unmet for 2020-2040 within existing spatial development strategies. Indeed, more specifically this could be achieved on sites that are not only adopted as being suitable for development but also

on sites identified as appropriate for unmet need. Whilst the additional capacity that is coming forward on sites close to Oxford is not currently being 'assigned to Oxford, there is clearly an opportunity to do so and for existing sites explicitly or nominally for Oxford's unmet need to 2036 to also deliver the unmet need to 2040. Taking this approach is absolutely essential in achieving positive outcomes through setting objectives for development and preparing soundly based and justified policies of the Development Plan.

Question 13: How would delivering unmet need in other authorities achieve the objectives and outcomes intended, for example in terms of commuting and addressing affordable housing needs in Oxford City?

Oxford Local Plan's Objectives and intended outcomes of draft policies

86. The NPPF is clear, at paragraph 11, that sustainable development for plan making means that plans should promote a sustainable pattern of development that seeks to meet the development needs of their area, and this is what the Oxford Local Plan 2040 has sought to do.
87. On that basis, from the beginning of the process, the City Council opted to prepare a Local Plan that responds to the contemporary challenges which the city of Oxford is facing. These challenges include an ongoing recovery from the Covid-19 pandemic, addressing climate change, and tackling known housing issues. Moreover, in order to deliver sustainable development, it was decided the plan should also respond to other environmental and social issues, alongside responding to issues arising within the context of an overall strong economy in the city.
88. From the start of the plan making process, it was identified that the Local Plan must help deliver against some key themes and objectives. These themes, objectives, and the overarching threads which hold them together, have been agreed through ongoing stakeholder engagement and form the basis of the policy choices made in the development of the Local Plan. These are set out in detail at Chapter One of the submitted Local Plan 2040 and not repeated in full here (please see the answer to Matter 1, Question 1 for more details). In the context of Matter 3, a number of those are especially relevant and have helped shape the City Council's approach to housing need and housing requirement. These are addressed below:

A) Access to affordable housing¹

89. The first of these is the need to improve access to affordable housing. The key figures demonstrating this can be summarised as follows:

- Oxford remains one of the most unaffordable places to live in the country, with the median affordability ratio of 12.1 in 2023 (ONS).
- The shortage of housing exacerbates inequalities, which can be seen in the level of deprivation in the barriers to housing and services indicator. In the 2019 Indices of Deprivation, 11 of Oxford's LSOAs were in the 20% most deprived for this indicator, and 4 were in the 10% most deprived nationally.
- Nearly 70% of Oxford's LSOAs were in the most deprived half nationally. Looking at just the housing element of the indicator (affordability of housing, crowding and homelessness), 33 of Oxford's LSOAs were amongst the 20% most deprived nationally.

90. As explained in more detail in Questions 1-5 above, the City Council's starting point has been to fully understand the [true](#) housing need (as reflected in the decision to explore alternative methods of calculation in the HENA). The second step has been to explore every opportunity to accommodate housing within the city (as reflected in the assessment of the HELAA and the permissive policy choices of the Plan as a whole, including site allocations expressed as a minimum net-gain (see paragraph 8.3 of the Local Plan) and Policies H5 and E1 for example). The City Council has been clear that despite our best efforts, we cannot accommodate all the identified need within our boundaries. The proposed Local Plan and its evidence base demonstrate that.

B) Supporting the local economy²

91. The second of these is the need to support the local economy. The key figures demonstrating this can be summarised as follows:

¹ see: Theme 1: Oxford will be a healthy and inclusive city to live in; Objective 1: There is access to affordable, high-quality and healthy living accommodation for all; Overarching thread 2: Reducing inequalities

² See Theme 2: Oxford will be a fair and prosperous city with a globally important role in learning, knowledge and innovation; Objective 3: We continue to build on the city's strengths in knowledge, healthcare and innovation; Overarching thread 2: Reducing inequalities.

92. Oxford is home to 151,600 people and 6,000 businesses. It has the highest employment rate in the country, 121,000 jobs, which contribute around £6.8bn to the national economy each year, the city is one of a handful of net contributors to the national economy.
93. Oxford is driven by a talented population, around 60% of whom have a degree level qualification or higher; but opportunities are unequal with average educational attainment in state schools well below the national.
94. As explained in more detail at BGP.006a, the City Council has sought to understand the local jobs and employment land market, the trends and economic strategies in place, and to fully understand the impact of those relevant factors on the housing need (as reflected in the work on an employment land needs assessment, the HENA, Oxfordshire's Local Industrial Strategy (ECO.005), Strategic Economic Plan (ECO.004) and the City's Economic Strategy (ECO.010)). It has sought to develop an employment strategy for the Local Plan which will support Oxford's economic strengths, whilst building an inclusive economy for all. It has also, importantly, considered the implications of this, balanced against a need to provide significant levels of housing (see Policy E1).
95. The City Council considers an appropriate balance has been struck in setting its spatial development strategy; no new sites are allocated for employment, yet identified employment needs are fully accommodated within the city, and the associated implications of this for housing have been fully considered. The proposed Local Plan 2040 will respond to the economic trends in the city whilst also providing for considerable new residential development. It also incorporates flexibility which will allow for development proposals to come forward should the position change.

C) Creating a liveable city for all³

96. The third of these is the need to create a liveable city. The key figures demonstrating this can be summarised as follows:

³ (See Theme 6: Oxfords will be a liveable city with strong communities and opportunities for all; Objective 17: Our neighbourhoods will have the facilities we need to support our daily lives within a short walk of our homes to support a liveable city; Objective 21: We support modal shift, to more sustainable/active forms of transport; Overarching thread 3: Liveable city)

- Oxford is the only local authority area in the county where the number of inbound commutes is greater than outbound. Almost half of Oxford's workforce (45,900 people or 46%) commuted into the area in 2011. Despite the increase in absolute numbers (an additional 5,800 people), this is a slightly lower proportion than in 2001.
- In 2011, there were 42,000 daily journeys to work by Oxford City residents to a workplace within Oxford city, with a modal share of 25% by bicycle, 26% on foot, 25% as car driver, 3% as car passenger and 20% by bus.
- The city, like many urban areas, is challenged by poor air quality which has a range of risks for health and wellbeing. There are particular challenges in relation to emissions of Nitrogen Dioxide (NO₂), as well as other pollutants to lesser degrees (such as particulate matter)⁴. Sources of NO₂ are primarily related to road traffic emissions (68% of total emissions of Nitrogen Oxides), alongside other sources such as domestic combustion (responsible for 19% of emissions).
- Access to different types of green spaces across the city is not equal, exacerbating challenges of inequalities. For example, the Green Infrastructure Study 2022 (GRE.001) highlights gaps in access to children's play spaces for residents in the city centre and the north of Oxford; to accessible natural green spaces for residents in Cowley/Temple Cowley and Summertown. There are also areas of the city where residents typically have lower access to private gardens coupled with reduced access to public open space nearby, including some areas of higher deprivation such as Blackbird Leys.

97. As explained in more detail at BGP.014, the City Council has also sought to understand the local patterns of movement, the range of transport and travel strategies in place, plus infrastructure projects (planned and approved) to address the issues the city's transport network faces (see BGP.014). In that context and in light of the evidence base material, the Council has also prepared appropriate locational, access, sustainable travel and low-car policies in Chapter 6 of the Local Plan. This package of policies will promote healthier and active lifestyles, improvements in the local environment such as on air quality and congestion and help to tackle the broader issue of reducing our impact on the climate.

98. There are many other strands to ensuring sustainable development is embedded within the spatial development strategy for the city, alongside new residential development. A

⁴ See 2022 Air Quality Annual Status report: <https://www.oxford.gov.uk/air-quality-data/air-quality-annual-status-reports>

wide range of environmental, social and economic objectives have influenced the policies of the Local Plan 2040. These include, for example, the landscape setting of Oxford, its sensitive ecology and biodiversity, areas of flood risk, its heritage significance and contribution towards tackling climate change. All these matters to some extent interplay with the housing issue, whilst they are not focused on in detail here, they are comprehensively assessed in the Sustainability Appraisal (CSD.003).

99. In the context of these objectives and intended outcomes, the City Council has prepared a Local Plan that will contribute to the achievement of sustainable development in the city over the plan period of 2020-2040 as required by the NPPF. Properly understanding the housing need is the only way to seek to resolve the issues faced by affording it the appropriate weight in the plan-making process. The evidence is clear that the housing issues being faced in the city are acute and this has been given significant attention; however, this has been addressed as far as possible within the context of the constraints and opportunities in the city. Whilst there is some identified unmet housing need resulting from this strategy, this is reduced to the lowest possible level by maximising the effective use of land and potential deliverable capacity of the city. The strategy deployed, and the evidence it is based on, has been covered extensively in the Local Plan 2040, background papers, the answers to Inspector's Questions and other documents in the examination library.

100. It is in that context, and within those circumstances, that the City Council engaged with other authorities on matters of unmet need. The City Council's position on how the delivery of unmet need in the surrounding districts can assist in meeting the objectives of the Local Plan 2040 are considered below.

How delivering unmet need within other authorities can address those objectives and outcomes

101. The City Council believes it has made a robust and well-evidenced case in identifying housing need, Oxford's capacity, and the resulting unmet need which we are seeking assistance from our neighbouring authorities to accommodate (as set out in response to questions above). It is possible for homes to be delivered outside the boundary of Oxford yet still address housing need in line with the Plan objectives and strategy. This has already been demonstrated through the preparation of extant and adopted Local Plans to this end.

102. Such provision for unmet need outside the boundaries of the city would still help achieve the objectives of the Oxford Local Plan as follows:

A) **Access to affordable housing** – this objective can be addressed/met in the following ways:

- the delivery of unmet need sites to provide additional homes to address the identified actual need.
- ensuring that a higher proportion of affordable housing is delivered on those sites than would be typical on other sites within neighbouring authority areas, to match that which would be required through Oxford's own policies. As has previously been the case with allocated unmet need.
- securing affordable housing nominations agreements with neighbouring authorities to ensure that affordable housing need arising from the city is accommodated, i.e. people on Oxford's housing register are eligible to apply for new affordable homes. As has already been secured with South Oxfordshire, Vale of White Horse and West Oxfordshire and is currently in progress with Cherwell (see question 9 above).

B) **Supporting the local economy** – this objective can be addressed/met in the following ways:

- ensuring that the regional and national aspirations for Oxford and Oxfordshire's economy are supported as it continues to be a net-contributor to the national economy.
- supporting key employment sectors who report difficulties in recruitment and retention due to the lack of access to and unaffordability of housing in the Oxford market.

C) **Creating a liveable city for all** – this objective is addressed/met in the following ways:

- ensuring that additional homes are delivered in locations that are easily accessible to Oxford, to help meet the identified need close to where it arises.
- providing new homes with options for sustainable and active travel to places of work and other desired destinations.
- both of the above, with the aim of reducing travel time and reliance on car travel and the resultant issues with congestion and air quality.

103. In that context, the City Council is very aware that when considering the provision of unmet need, the details and policies needed to deliver that are within the jurisdiction and gift of those neighbouring authorities. It is considered that there are a number of ways in which the potential implications of such policies can be mitigated to reduce the

impact on those locations including: taking a plan-led approach to allocating sites so that they are determined within a spatial strategy linked back to plan objectives; minimising the need for additional land to be allocated through consideration of the densities and capacities of already allocated sites (as has been considered under Question 11 above); and through careful pre-application and planning application discussions with stakeholders and partners. The City Council has demonstrated its commitment to assisting with these approaches where appropriate in recent years and continues to offer support in this regard.

Conclusion

104. In conclusion, the City Council recognises that this is a difficult topic requiring significant additional work to establish, and then deliver, and which involves difficult asks of neighbouring authorities. However, the City Council has demonstrated it has prepared an appropriate development strategy for the city and has sought to reduce as far as possible the resultant unmet need. Preparing a different strategy using the standard method, for example, would ignore the exceptional circumstances identified in the evidence base and fail to address both: the important challenges the city is facing, and the Local Plan's objectives. Indeed, it would not have started to address the issues of:
105. Access to affordable housing – failing to address the need for more homes would exacerbate the problems already experienced with unaffordability including lengthening housing waiting lists, continued over-crowding issues and the very high percentage of income spent on housing costs;
- Supporting the local economy – failing to address the need for more homes would hold back the economic potential of the city (out of accordance with national policy) and growth of local businesses who report problems with recruitment and retention due to lack of housing availability and its unaffordability; and:
 - Creating a liveable city for all – failing to address the need for more homes where need is arising would result in increased commuting behaviours with workers drawn ever further away from places of employment and the congestion and air quality problems that results in.
106. In the absence of a strategic plan for the county or region as a whole, the evidence submitted with the Local Plan 2040 demonstrates that the proposed spatial development strategy (in a similar way to that already established through the Oxford Local Plan 2036) would be the most sustainable way to address acute housing issues in Oxford, balancing economic, social and environmental sustainability matters appropriately.

Question 14: If Oxford City’s housing need was calculated using the standard method, what would be the implications for the scale of unmet need and potential for it to be met by other authorities?

107. The standard method calculation for Oxford at the time of preparing the HENA was 762 per annum. In April 2024, post-submission of the Plan, new affordability ratios were published by Government. Whilst the affordability ratio – according to national Government calculations – has improved marginally since then, the standard method calculation for Oxford remains at 762. This compares to the housing need identified in the HENA of 1,322 per annum (BGP.001).

Table 14.1: Levels of unmet need using different need calculations (using proposed Main Modification update to H1 as the capacity)

	Annual housing need	Total need 2020-2040	Capacity 2020-2040 (HEA.004)	Unmet need 2020-2040
Standard Method (2022 data)	762	15,240	9,851	5,389
Housing need (HENA, 2022 data)	1,322	26,440	9,851	16,589
SM with affordability updated to 2024 Government data	762	15,240	9,851	5,389

108. The indications are that applying the standard method would in theory mean a smaller unmet need figure (in fact 8,911 units fewer than the amount already accounted for in extant local plans of the districts but not delivered before the 2020 start date of the Local Plan). However, the evidence does in fact demonstrate that there are substantial housing issues within the city. The pressing housing need in Oxford is not a new phenomenon and is anticipated to remain. Reducing the housing requirement in the plan by deploying the standard method figure (which is considered to be inappropriate, as explained above,) will simply exacerbate a range of housing issues such as worsening unaffordability (for purchase and rental), not adequately addressing waiting lists for affordable housing, not adequately addressing issues of unsuitable housing and overcrowding and many other social, environmental and economic impacts.

109. The need for homes will still be there, which is demonstrated by the evidence gathered as part of the emerging Local Plan 2040. If it is not adequately planned for it is expected the demand will be met to some, likely much more limited, extent by providing housing in an unplanned way. There would be a under delivery of new homes against need if the Local Plan 2040 were informed by and based on using the standard method. These evidence-based conclusions are why the Council instead took a responsible approach to commission the HENA to properly explore what the housing needs of Oxford are, rather than simply using the lower standard method figure.