

Matter 4: Unmet housing Needs

4.1 Is the approach to meeting within the District any housing needs which cannot be met elsewhere in Oxfordshire, as set out in policy CP2, soundly based and does it accord with national policy?

1. No. To be soundly-based, the Plan should comply with the Tests of Soundness set out in the NPPG paragraph 182: Positively Prepared, Justified, Effective, and Consistent with National Policy.
2. To be positively prepared, the Plan should seek to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development. The Plan does meet the objectively assessed housing need within its own area, and in this limited respect is positively prepared.
3. However, as set out in our representations, for the period 2011-31 the housing need for Oxford as determined by the SHMA 2014 (HOU1) is 24,000–32,000 homes, whilst the NPPF/PPG-compliant Oxford SHLAA (Dec 2014) (Appendix 2) shows capacity in Oxford to be 10,212 homes¹, and the Cundall report² on Oxford's capacity (which is not NPPF/PPG compliant and which the City Council strongly disputes) suggests a capacity of 16,211. Therefore, even comparing the lower end of the SHMA range with the assertions of Cundall, there is a deficit of, at absolute minimum, circa 8,000 homes needed for Oxford that cannot be met within its own boundaries. Comparing the Oxford SHLAA with the midpoint of the SHMA range gives a deficit figure of circa 17,700 homes, however by taking the mid-range SHMA figure (4,000 reduction from the upper figure) will reduce the opportunity to address not only the (un)affordability of market housing, but also the opportunity to address the acute shortage of affordable housing in the City, as noted in the SHMA. This is not desirable given that Oxford is acknowledged as the least affordable city in the country.
4. Irrespective of the precise unmet need figure, the fact there is a significant scale of

¹ The City Council's Response to the Cundall Report (May 2015) updates the SHLAA figure to 10,368 (an increase of 156 dwellings over the whole period), this is not considered to be a significant increase. **See Appendix 3, Section 4 Conclusions (pp87-88)**

² 'Unlocking Oxford's Development Potential' (Cundall Johnston & Partners, South Oxfordshire District Council, Vale of White Horse District Council, Cherwell District Council, Nov 2014) is available at www.southoxon.gov.uk/services-and-advice/planning-and-building/planning-policy/evidence-studies

unmet Oxford need is not in dispute. The City Council raised the issue of unmet Oxford housing need with VWHDC some considerable time before Plan publication, as evidenced in our statement on Matter 1. As the Plan makes no attempt to meet any of this unmet need means that it clearly fails the soundness test for a positively prepared plan.

5. It is also of concern that Policy CP2 does not accept that there is an unmet need to be addressed, despite the overwhelming evidence of such need. Furthermore, the policy mechanism proposed for addressing the Oxford unmet need is not effective, in that it has no timescale or monitoring framework for addressing this unmet need. Thus even if an early plan review mechanism were deemed a sound approach, the policy as stands provides no assurance that VWHDC is genuinely committed to this process, and contains no 'teeth' to ensure such an approach would be expediently taken forward post-adoption. As we have shown in our response to Matter 1 there is clear evidence that without a prescriptive approach and definitive timescales there will continue to be further delays, despite assurances given previously at examination.
6. For the Plan to be justified, it should be the most appropriate strategy when considered against the reasonable alternatives, based on proportionate evidence. The Plan is explicit in paragraph 1.23 that *"the Vale of White Horse Local Plan 2031 will meet, in full, our own objectively assessed need for 20,560 homes 2011-31 (see Core Policy 4: Meeting our housing needs)."* In paragraph 1.24, however, VWHDC *"acknowledges the need to plan for any overspill of unmet housing from the wider housing area and in particular Oxford City. Core Policy 2 sets out how the Council will work cooperatively to address potential overspill of unmet need from other parts of the housing market area in a timely and effective manner."*
7. Core Policy 2 then sets out how *"...the Council will continue to work jointly with all the other Oxfordshire local authorities to address any unmet housing need. This will include assessing all reasonable spatial options, including the release of brown field land, the potential for new settlements and a full strategic review of the whole of the Oxford Green Belt."*
8. Paragraph 1.24 and Core Policy 2 quite clearly set out that there are in fact reasonable alternative strategies due to be considered during the Plan period, i.e. further release of brownfield sites, potential new settlements and a full strategic Green Belt review. Indeed VWHDC is already exploring spatial options for accommodating Oxford's unmet needs separate to the joint work (see Appendix 6). These alternatives have not been tested or considered further, simply because of the stated preference of VWHDC to address only their own objectively assessed needs first (e.g. paragraph 1.23). It is evident from this that the Vale's policies in respect to meeting housing requirements fail to meet the NPPF test 'Justified' as it has not tested the preferred approach against all the reasonable alternatives.
9. NPPF paragraph 47 refers to the Local Plan meeting *"the full, objectively assessed needs for market and affordable housing in the Housing Market Area."* (as distinct from the

OAN for individual districts within that area). Yet VWHDC give no proper justification as to why the housing needs of the Vale are placed above the needs of Oxford as implied in paragraph 1.23. This runs contrary to the intention of the Duty to Cooperate and planning for cross-boundary needs (see also our Matter 1 statement).

10. For a plan to be effective, the Plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities. As set out in NPPF paragraphs 178 and 179, for this test to be passed there must be positive outcomes to this cross-boundary working; local authorities should “*ensure that strategic priorities across local boundaries are properly coordinated and clearly reflected in individual Local Plans*” (NPPF paragraph 179). As set out in our previous representations (e.g. letter dated 14th Dec 2014) the Oxford housing crisis is in need of urgent address, therefore it is not effective or appropriate to delay meeting this need any further.

11. Simply referencing on-going processes is widely considered not to meet the requirements of NPPF and the Effectiveness test. A recent Planning Advisory Service publication, “Doing Your Duty – Practice Update” (see extract, Appendix 9) advises:

“It is not sufficient for an authority to acknowledge that it may have to address potential unmet needs from within its own HMA and adjoining HMAs by including a proposed contingency approach in their plan to trigger a review with neighbouring authorities to agree a future strategic framework for local plans. The plan has to be assessed on the level of cooperation that has led to the current draft plan and not what may happen in the future.” (subsection 9, page 11)

12. The deliverability of the strategy is also in question due to its short-lived nature. Paragraph 1.21 of the draft LPP1 states that 12-18 months is the agreed timescale for the joint post-SHMA work as agreed at Oxfordshire Growth Board on 20th November 2014 (see Appendix 1). In PC01, in responding to representations, VWHDC state that any revised timescales would first need to be agreed by all Council leaders through the Duty to Cooperate process (no such amendment has been agreed). If this timetable holds, then the joint work to inform a spatial distribution of Oxford’s unmet needs would conclude at latest by April 2016 (the City Council consider this achievable by the end of 2015). At this point, the housing target and spatial strategy set out in the Submission Plan will be immediately out of date, as the alternative strategies set out in Policy CP2 to meet Oxford’s unmet needs will be triggered (which could be new strategic allocations and/or a strategic Green Belt Review).

13. It is contended that such a short-lived strategy cannot be a deliverable or effective one. This is due to the uncertainty that is introduced at that point (for both prospective developers and communities), but also the fact that the current strategy is reliant on evidence (which includes a Delivering Infrastructure Strategy) that is predicated on an out-of-date spatial strategy. An out-of-date strategy is also likely to make the policies of LPP1, and the 5 year housing supply, immediately vulnerable to challenge, and lead to planning by appeal.

14. In addition, the Green Belt Study currently being undertaken by LUC on behalf of the Oxfordshire authorities (except South Oxfordshire which has withdrawn) is likely to lead to a further review of the Green Belt within Vale of White Horse, in respect of meeting the wider housing needs of the Housing Market Area, as acknowledged in Policy CP2. This again would render the current submitted spatial strategy, and key housing delivery policies, out-of-date.

15. In summary, it is considered that the approach set out in Policy CP2 fails the NPPF tests of Positively Prepared, Justified, Effective, and Consistent with National Policy. With regard to National Policy, the following requirements of NPPF are not met:

- Paragraph 47 regarding meeting the full, objectively assessed needs of the HMA;
- Paragraph 83, which states that at the time of preparing their Local Plan, *“authorities should consider the Green Belt boundaries having regard to their intended permanence in the long term, so that they should be capable of enduring beyond the Plan period”* (repeated in paragraph 85);
- Paragraph 157, which states that local plans should be based on cooperation with neighbouring authorities;
- Paragraphs 178 to 179, which make clear the requirement for effective planning across local boundaries, the outcome of which should be reflected in Local Plans.

4.2 What is the likely timescale for agreement being reached between the relevant authorities on (i) the scale of unmet needs in Oxford City (and any other district) (ii) the most appropriate way of any unmet needs being provided for?

16. In respect to (i), Oxford City Council committed in April 2014 to leading a jointly-commissioned Strategic Housing Land Availability Assessment (SHLAA) for Oxford, which would robustly test and challenge the methodology used in previous Oxford SHLAAs (see Appendix 10 - attached emails). Given there was no appetite from other partners to be part of a joint steering group, the City Council commissioned URS consultancy (now part of Aecom) to take forward work on the Oxford SHLAA as an independent expert (see Appendix 11 - SHLAA brief). The work was undertaken in a transparent manner, and included a ‘check and challenge’ workshop with partners, and consultation with partners and stakeholders on a draft SHLAA ahead of its finalisation. The final Oxford SHLAA 2014 was published in December 2014 (attached as Appendix 2).

17. The Oxford SHLAA is a robust, objective study prepared in accordance with national (Planning Practice) guidance. Given the scale of Oxford unmet need, it thoroughly reviewed all sites and assumptions in the previous methodology in order to ‘push the boundaries’ and maximise Oxford’s contribution to meeting this need (including an assumption that Green Belt at two locations within the City will be reviewed). The resultant estimated capacity of Oxford to deliver more housing is 35% greater than the previous year’s SHLAA 2013. The SHLAA capacity estimate is 10,212 homes, albeit that subsequent site-specific updates¹ have marginally increased this to 10,368 homes.

18. Despite the collaborative approach taken to preparing the Oxford SHLAA and

opportunity to comment during the process, three of the four other Oxfordshire district councils (including VWHDC) have chosen to challenge its findings. The 'Cundall Report'² argues that there is capacity in Oxford for 16,211 homes. However a subsequent communication from the report authors (Appendix 4) confirms that the Cundall report is not intended as an alternative SHLAA (indeed it does not use a standard SHLAA methodology), but *"a report into how robust Oxford City Council's September 2014 draft SHLAA was in accordance with national guidelines"*. An alternative Oxford capacity figure derived not from a SHLAA which considers deliverability, suitability and achievability of sites, but from a report commissioned on the predication of minimising the level of unmet need to be met outside of Oxford, and that does not claim to be a comprehensive PPG-compliant SHLAA, cannot be considered as robust or valid evidence.

19. The City Council equally refutes the view expressed by VWHDC that the Oxford SHLAA *"has not been carried out in a manner consistent with national practice guidance in that it continues to apply policy constraints from their pre-SHMA and out-of-date local plan"* (Appendix 6). A similar argument was presented by VWHDC to the Inspector for the recent Northern Gateway Area Action Plan examination, which in common with Cundall report urged that the whole of this strategic site in Oxford should be allocated for housing. Yet that Inspector concluded in paragraph 19 of her report (dated 15th June 2015) that the relevant policies for the supply of housing in Oxford's development plan are *"not 'out of date', as defined by paragraph 49 of the NPPF"*, and agreed with the City Council that it remained appropriate to allocate that site for employment-led development in accordance with the up-to-date Core Strategy 2026.
20. The Growth Board partner authorities are currently working with a Critical Friend to seek to agree an Oxford unmet need figure, based on an independent view of the Oxford SHLAA in light of all the evidence. An original reporting target of March 2015 was regrettably not achieved. However the Critical Friend has recently reported its advice in draft, and has broadly supported the assumptions and methodology in the Oxford SHLAA. This reaffirms that the SHLAA represents the best available evidence on the capacity of Oxford to deliver new housing. The City Council has done all it can to robustly and independently establish the Oxford capacity; no barrier remains to addressing the cross-boundary housing need as required by the NPPF. It is urged that the Examination hearings considering the Duty to Cooperate and Oxford unmet need progresses only when the Critical Friend report is available for the Inspector to consider.
21. In respect of (ii), the City Council has consistently pushed for keeping to the 'post-SHMA' timetable agreed by Growth Board on 20th November 2014. However as set out in our answer on Matter 1 (Q.1.1), VWHDC has missed critical, previously-agreed deadlines thus causing delay to the timetable. Thus the previous reporting deadline of September 2015 cannot now be achieved.
22. Furthermore, VWHDC has recently requested that the Growth Board fundamentally revisit the agreed Post-SHMA Process, in a manner that would add further significant delay to this joint work concluding. The City Council finds this unacceptable, given that all parties committed to achieving a timetable of 12-18 months at the time the process

was agreed in November 2014. All partners at that time, including VWHDC, supported a process that was non-statutory such that it did not cut across the sovereignty of local plans.

23. As things stand, the post-SHMA joint working is due to produce a quantified spatial distribution of housing (to meet Oxford unmet needs) within the next few months, provided genuine commitment is shown by all partners. The City Council considers the current lack of outcome from the joint process to be prejudicial to the completion of this examination given it is fundamental to the Duty to Cooperate. It is urged therefore that the Examination is paused or halted to allow the post-SHMA processes to reach sufficient conclusions, and its outcomes taken proper account of in the Plan. If the Plan were to proceed to adoption in its current form, the pressing Oxford unmet need will remain unplanned-for and unmet for many years to come.

4.3 Is it likely that the spatial strategy, policies and allocations proposed by the plan to meet the district's own housing needs would need to be significantly altered if unmet needs from elsewhere in Oxfordshire are to be accommodated in the Vale of White Horse district?

24. Yes. The unmet Oxford housing need (i.e. Oxford objectively assessed housing need as identified in the SHMA, minus the SHLAA-derived capacity of Oxford to deliver more housing) is considered to be 13,632 to 21,632 dwellings. The City Council considers there is strong evidence for using the upper end of the range, given the overwhelming need to maximise affordable housing provision, and reflecting the strength of the Oxford housing market.³ Even if the midpoint is used as a working assumption, there is still an unmet need of 17,632 dwellings, and in addition by reducing the figure by 4000 it will reduce the opportunity to address not only the (un)affordability of market housing, but also the opportunity to address the acute shortage of affordable housing in the City, as noted in the SHMA.
25. It is clear that sustainably providing for a reasonable apportionment of this scale of need will require strategic site allocations. Furthermore, the principles agreed to by the Growth Board (see Appendix 1) acknowledge that to sustainably address the Oxford-specific unmet need, a strategic review of Green Belt boundaries is needed (a joint strategic Green Belt Study to inform this is currently underway and due to report shortly). For a Green Belt review to happen after adoption of the Part 1 Plan would be at odds with paragraph 83 of the NPPF, which makes clear the intended permanence of Green Belt boundaries following review, well beyond the Plan period.
26. Despite this, there is a reasonable prospect that withdrawal of the Plan can be avoided whilst still addressing the Oxford unmet need. See our further response below for suggested pragmatic options.

³ For example Nationwide reported on 2nd July 2015 that the average house price in Oxford had risen by 12% in the last year and now stands at £414,301 (http://www.oxfordtimes.co.uk/news/13367887.Young_people_being_squeezed_out_of_Oxford_as_house_prices_climb_higher/ ; <http://www.bbc.co.uk/news/business-33359468>

4.4 If you contend that the approach set out in policy CP2 is not soundly based should the Local Plan be delayed pending agreement on 5.2 (i) and (ii) above or could modifications to the plan be made to make it sound?

27. For the reasons set out in this statement, the City Council agrees that the Local Plan should be delayed. A delay to Local Plan adoption should not significantly delay housing delivery in the Vale: housing sites can continue to come forward provided they comply with the NPPF in respect of the Vale housing need. On the other hand, if the current Plan is adopted with no provision for the Oxford unmet need, it is likely that allocations for the Oxford homes will be delayed for at least another 3-5 years to allow time for a Plan review to complete. Given the lead-in times for strategic sites, this would make it very hard to deliver the Oxford housing need before 2031.
28. Despite delays, the Post-SHMA work could conclude in the next few months provided all partners are committed to this process. Alongside this, and drawing from it, VWHDC can propose Main Modifications to incorporate a proportion of the Oxford unmet need. The City Council urges a 6 month suspension of the Examination to allow for this to happen.
29. Without prejudice to the above, if the Inspector were ultimately persuaded that the Plan should proceed on the basis of an early review, it is requested that a new policy replace the existing Policy CP2 in relation to the effectiveness of the Plan, to ensure that the policy is enforced, and reflecting the urgency of the Oxford housing need. The alternative wording considered necessary is attached in Appendix 12.