

## VALE OF WHITE HORSE LOCAL PLAN EXAMINATION MATTER 11 – FIVE YEAR SUPPLY OF HOUSING LAND

### 11.1 Can a five year supply of deliverable housing land (in accordance with NPPF para 47) be currently identified against the plan's stated housing requirement?

The HBF supports the housing requirement that is in the local plan of 20,560 dwellings to be provided between 2011 and 2031. This is the number of homes need to address the objectively assessed needs (OAN) of the Vale of White Horse District Council.

Before discussion of the five year land supply it is necessary to consider the question of the ring-fence. If the Council wishes to use a ring-fence than this will require the Council to maintain two separate five year land supply calculations: one for the ring-fence area and one for 'the rest of the district' (for want of a better label). We think that this issue needs to be bottomed-out before the question of the five year land supply can be considered.

To recap from the part one sessions, the HBF is generally supportive of the ring-fenced approach albeit with some important qualifications. The HBF has acknowledged the Council's wish to concentrate the supply of 11,850 dwellings within the ring-fenced areas of the Science Vale sub-area. We consider that this is an acceptable approach in the specific instance of the Vale of the White Horse Council's local plan. This is because the OAN in the Vale represents a significant increase above the demographic starting point indicated by the household projections. We agree that this increase in supply above the demographic starting point is necessary to support the employment projections for the district. This also reflects the growth agenda that the Oxfordshire authorities are committed to supporting (with the possible exception of West Oxfordshire Council). The HBF supports the Council's commitment to the Committed Economic Growth scenario of the SHMA 2014. This generated the OAN of 20,560 dwellings or an average of 1,028 dwellings per annum (dpa).

We recognise that because most new employment creation will be expected to occur in the ring-fenced areas it is reasonable to operate a ring-fence for the housing supply - i.e. locating homes and jobs together.

However, as discussed during the part one sessions, the exact boundaries of the ring-fence will need to be clarified. The plan is ambiguous on this question. There is considerable uncertainty as to which areas fall within the ring-fence and what figure 4.3 is showing. The relationship of the ring-fenced development areas to the rest of the Science Vale sub-area is also unclear. Core Policy 5 also needs to provide greater clarification on the matter of how a five year housing land supply will be maintained in the ring-fence areas, reflecting the words of caution expressed by the Council in paragraph 4.13 of *Topic Paper 4: Housing*.

We are also concerned that the ring-fenced area (in effect four small ring fence areas) is too small. We note that paragraph 4.17 of *Topic Paper 4: Housing* refers to

the potential that any undersupply in the ring-fenced area could be addressed by additional growth coming forward in the Science Vale sub-area. It would be helpful if Core Policy 5 said this. Such contingency sites would need to be identified.

As we have argued in our representations, the decision to divide the district into two planning areas whereby any undersupply in the ring-fenced area will not be allowed to 'bleed' into the rest of the district will require the Council to produce two separate five year housing land supply calculations. This is necessary to provide clarity and to enable the Council to manage the delivery of the housing that is needed in the other areas of the district outside of the ring-fenced area. Because the housing supply in the ring-fenced area amounts to 75% of the overall planned housing supply (paragraph 4.18 of the local plan) we are concerned that if delivery falters in the ring-fence (something which is quite possible if the local markets become temporarily over-saturated) then it will be necessary for the Council to boost delivery in the 'rest of the district' to compensate.

As far as we have been able to ascertain the Council has not produced two separate five year land supply calculations for its two different planning areas (11,580 homes for the ring-fence and 8,980 homes for the rest of the district). This is necessary to address the implications of the Core Policy 5. The *Assessment of Five Year Land Supply*, April 2014 report, does not appear to acknowledge this as an issue. We have noted the *Assessment of Five Year Land Supply*, April 2014 report, and *Topic Paper 4: Housing*. Unfortunately neither document provides a breakdown of the five year housing land supply by each planning area.

In *Topic Paper 4: Housing* the Council maintains that it is able to demonstrate a five year housing land supply if the Liverpool method is used (i.e. addressing the shortfall accumulated since 2011 over the rest of the plan period). Part of the reason for being unable to address the shortfall is because the ring-fenced area is so tightly drawn. It is possible that if the Council chose to delineate a bigger ring-fenced area which encompassed a larger part of the Science Vale sub-area then maintaining a five year land supply using the Sedgfield method may not be so difficult.

The tightly drawn nature of the ring-fenced areas will tend to militate against delivery because there will be no alternative sites. Because under-delivery in the ring-fence cannot be made good in the 'rest of the district' the Council's strategy could create the type of conditions that will prevent that the housing requirement of 20,560 being delivered in full by 2031.

#### Sedgfield versus Liverpool

We note the Council's argument about the problem of applying Sedgfield in the district and why it favours Liverpool (paragraph 4.23 of *Topic Paper 4: Housing*). Whether the Council's argument about applying Liverpool in both planning areas is a sound one would depend upon looking at the record of delivery in the both planning areas. If delivery has been poor in the 'rest of the district' then Sedgfield may be justified there to address the shortfall as quickly as possible. Unfortunately the data on delivery in the two planning areas is not provided. Conversely, if there truly is a lack of 'suitable' alternative sites to address the shortfall, as the Council argues in paragraph 4.23, then this suggests that the ring-fence approach is flawed since it is

too tightly drawn to provide for alternative sites. The plan would not provide the flexibility needed to remain a helpful document guiding decisions up to 2031.

Paragraph 4.25 of *Topic Paper 4: Housing* the Council refers to the problem of 'over-saturation' as a defence against applying Sedgefield. However, one might argue that this is a problem of the Council's own making arising from its decision to delineate tight ring-fenced areas. The small, tightly drawn ring-fenced areas will tend to prevent alternative sites being granted permission. This means that 'over saturation' in the local market is inevitable and this will militate against delivery. We note the paper prepared for the Council by HDH Planning & Development Ltd titled: *Meeting the 'Objectively Assessed Need' for Housing*, dated October 2014. The paper observes at paragraph 43 that if the Council has an allocation strategy that brings forward a wide range of sites in a range of locations then the Council will be maximising the likelihood of delivery. The report also observes that delivery will be enhanced further in the short to medium term by increasing the quantum and range of small to medium sites in the planning pipeline. This is sensible advice. However this advice does appear to conflict with the Council's preferred approach to the supply of housing. The Council's favoured approach is to concentrate development in four relatively small ring fenced areas. While this might be good over the longer term in order to concentrate the investment in infrastructure, it could inhibit supply in the short to medium term if delivery in these areas falters. This could be overcome by creating a more generous ring-fenced area encompassing more sites of different sizes within the general Science Vale sub-area (which would be consistent with the argument in paragraph 4.17 of *Topic Paper 4*), or, alternatively, the Council could provide more contingency sites of different sizes in the other two sub-areas (the Abingdon and the Western Vale sub areas). The adoption of a CIL would enable planning gain monies to be taken from more remote locations to invest in the Science Vale. The latter suggestion by the HBF – contingency provided in the other two sub-areas – does imply that under-supply in the ring-fence may need to be rectified in the rest of district, which, of course, would be contrary to purpose of Core Policy 5. Core Policy 5 may therefore need to be reviewed early on if it is proving to be ineffective as a policy instrument.

The HBF considers that Sedgefield should be used for the five year land supply calculation. This is because the Council is already five years into its twenty year plan. Sedgefield and the 5% or 20% buffer are planning tools that can be utilised by local authorities to help manage delivery to ensure that the OAN is met in full by the end of the plan period. We support the application of the 20% buffer (see paragraph 4.19 of *Topic Paper 4: Housing*). However we consider that the Sedgefield approach should also be used. If Sedgefield is not applied then as we encroach further into the plan period greater pressure will be placed on the ring-fenced areas to deliver in few years remaining. If Sedgefield is not applied now then there is a risk that the residual housing need will grow larger and the problems of 'over-saturation' referred to above will kick-in preventing the housing need being met in full.

For these reasons the HBF tend to favour a more constant ('flatter') trajectory which is what one would get if the shortfall is addressed in the next five years. Since only 1,250 homes have been completed since 2011 (according to table 3 of *Assessment of Five Year Land Supply*, April 2014) if the shortfall is not addressed sooner in the

plan period then the residual requirement to be delivered in the last ten years of the plan could become too great to feasibly provide by 2031.

11.2 Is it realistic that a five year supply of deliverable housing land would be maintained throughout the plan period?

Our response to this question relates very much to the effectiveness of the ring-fence as a policy (Core Policy 5). While we consider the general thrust of the strategy to focus a large part of the housing development in the Science Vale sub-area is a reasonable one, we are concerned that the ring-fenced areas are too small and delivery of the majority of the district's OAN relies very much on the strategic allocations in the ring-fence coming forward and being completed before 2031. Consequently, our comments in relation to the soundness of the ring-fence is conditional upon the Council being able to maintain a five year housing land supply in this area. To maintain delivery it is our view that the ring fences should probably be made bigger or else other locations should be identified in the Science Vale sub-area to augment these (i.e. other ring-fences identified). If the Council fails to demonstrate a five year supply then paragraph 49 of the NPPF would require the Council to revisit its strategy and reconsider the efficacy of the ring-fence as a planning policy. The effectiveness of the ring-fence, therefore, will need to be kept under close review.

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