

VALE OF WHITE HORSE LOCAL PLAN 2031 PART 1

EXAMINATION IN PUBLIC STAGE 1

MATTER 2

STATEMENT ON BEHALF OF

THE HARWELL CAMPUS PARTNERSHIP

AUGUST 2015



Introduction

1. This statement is made in response to the Vale of White Horse Local Plan 2031 (“the Plan”) Stage 1 Examination in Public (“EiP”) on behalf of the Harwell Campus Partnership (“the Partnership”). The statement relates to Matter 2 – Objectively Assessed Needs for Housing and Employment Land.
2. A Statement of Common Ground (SoCG) has been agreed between the Council and the Partnership. It supports the Council’s decision to meet in full its objectively assessed housing need as set out in the Strategic Housing Market Assessment (SHMA). This statement expands on the SoCG and explains why the Partnership considers the methodology used in preparing the SHMA to be sound.

Background

3. Harwell Oxford is a world renowned major UK Science and Technology Campus that benefits from over £1bn of science infrastructure, including the UK’s national synchrotron facility the Diamond Light Source and ISIS Neutron facility, plus approximately 5,000 research and support staff spread across approximately 200 organisations. These include Science & Technology Facilities Council, Medical Research Council, European Space Agency, Diamond Light Source, Public Health England, Element Six, Bluebird, Thales Group, Airbus, RAL Space, the Satellite Applications Catapult, and others in related fields.
4. The Harwell Campus is located in Science Vale, which is internationally significant as a location for innovation and science based research and business. The draft Local Plan identifies as the first of three main strands the focussing of sustainable growth within the Science Vale Area.
5. The Harwell Campus extends to 292 hectares and has a diverse, international and collaborative character, plus an exceptional history of scientific discovery and excellence in multiple fields over many decades. Today, on site research spans an enormous breadth and depth of science, including: aerospace and space, telecommunications, medical and life sciences, physical sciences, mechanical engineering, lasers, plasma physics, nano technology, cryogenics, super-computing and advanced data storage.
6. The Campus covers an area broadly similar to Wantage. It is categorised in the Council’s *Town and Village Facilities Study* as equivalent to a large village.¹ It is a brownfield site, allocated for development, where there is land available now for employment-generating development, housing and ancillary services and facilities. Part of the site is also an Enterprise Zone. Applications are being prepared to bring forward new employment related development.
7. The Partnership is responsible for bringing forward new development at the Harwell Campus consistent with its status as a centre for excellence for research and development. Work is underway on a new site-wide Framework Master Plan, the primary purpose of which is to provide a clear, simple and responsive framework for the delivery of new science and technology focused employment-generating development and new facilities to support Harwell as a world class

¹ Town and Village Facilities Study, page 6, Table 1

science and technology centre. As part of this new homes are planned, which would serve the campus and add to its vitality and sustainability. The Partnership is determined to ensure that Harwell Oxford remains at the core of Oxfordshire's science and technology cluster and continues to support science related economic growth across the United Kingdom.

8. The Partnership values the support it has received from the Council and is committed to bringing forward new development in collaboration with the Council in response to both the requirement for further economic development at the heart of the Science Vale and the need for new housing to serve the growth of the campus. This commitment is evidenced by the draft Statement of Cooperation that the Partnership is looking to enter into with the Council and Oxfordshire County Council.

Matter 2 – Objectively Assessed Needs for Housing and Employment Land

9. The National Planning Practice Guidance (NPPG), which was published by the Government in March 2014 (elements of the guidance have been updated since), sets out the methodology to be used by local authorities when calculating housing need. It summary it states that:
 - Household projections produced by the DCLG based on previous trends should be the starting point for assessing need – wherever possible local needs assessment should be informed by the latest available information.
 - LAs should consider whether any past under delivery of housing could have impacted on household formation rates.
 - LAs should carry out sensitivity testing to see if any local circumstances have influenced previous household formation rates (e.g. a large employer moving in or out of the area or a new urban extension affecting migration).
 - Likely changes in job numbers should be considered based on past trends and or economic forecasts as appropriate (working age population growth should also be considered and cross boundary assumptions need to be agreed through the Duty to Cooperate).
 - Market signals also need to be considered as fast rising property prices/rents can suggest market undersupply – the more significant the affordability constraints the larger the supply needed.
 - The need should be broken down into tenure and house type based on trends in age profile, types of household and existing housing stock/tenure.
 - Plan makers should consider whether they need to attract a different age profile (e.g. increasing the number of working age people) when establishing the tenure/house type.

- To calculate the affordable housing need, current unmet need and projected future unmet should be added together and subtracted from the current supply of affordable housing stock.

Are the SHMA's demographic adjustments to the 2011 CLG Household Projections soundly based?

10. As stated above, Government guidance states that sensitivity testing should be applied to household formation projections. The Oxfordshire SHMA explains that the 2011 CLG Household Projections show an increase in household size in the future suggesting a degree of constraint in the future (e.g. an undersupply of housing or a failing economy). As the purpose of the Local Plan is to address housing need, the Partnership considers it appropriate for the SHMA to use a less suppressed household formation rate projection.
11. Moreover, the same issue was debated at the EiP in to the Cherwell District Council Local Plan 2031 following which the Inspector concluded at paragraph 58 in his report that:

"... as modified, the plan is based on a full and up to date objective assessment of housing need in the area to 2031, taking account of reasonable population and household projections, having regard to all relevant local factors, including current market conditions in the district."

12. The Partnership's view is that, having regard to the Council's evidence base, the the same conclusions can be drawn in respect of the Vale Local Plan 2031 i.e. the SHMA's demographic adjustments to the 2011 CLG Household Projections are soundly based.

Is it appropriate to include an allowance for addressing past shortfalls in the delivery of housing against the South East Plan housing requirements.

13. As summarised above, Government guidance states that local authorities should consider whether any past under delivery of housing could have impacted on household formation rates. According to the Oxfordshire SHMA, across the Housing Market Area (HMA), housing supply over the period 2006-11 fell short by 2,279 homes (para 3.103). As DCLG's projected household formation rates are based on previous trends the Partnership consider it entirely appropriate for Oxfordshire SHMA to take into consideration this previous shortfall in housing supply on the basis that this will have influenced the previous trend rate.

Is the SHMA's adjustment to take account of forecast economic growth as set out in the Cambridge Econometrics/SQW report soundly based?

14. Economic forecasting is central to assessing future housing needs to ensure that the work force is provided with sufficient housing of the right type and in the right places to meet its future needs. This is confirmed in the Government guidance summarised above.
15. The SHMA explains that Cambridge Economics/SQW developed forecasts for the Oxfordshire economy in three stages:

- A Baseline Scenario – where historical trends in economic growth continue into the future.
 - An Alternative Demography Scenario – where baseline population projections (2011 based) are replaced by updated projections to recognise anomalies such as the changes in the student population of Oxford.
 - A Committed Economic Growth Scenario – where policy influences on economic growth are factored in.
16. The Partnership considers it appropriate for the SHMA to make adjustments to take account of projected economic growth as set out in Cambridge Economics/SQW report. There are a number of confirmed policy influences that will affect future economic growth. These are discussed below.
17. Science Vale UK (Harwell Campus, Milton Park and Culham Science Centre) is an area of economic growth that is fast becoming a global hotspot for enterprise and innovation. Parts of Science Vale UK (including 94ha of land at the Harwell Campus) now have Enterprise Zone status. This means that new businesses locating to the Enterprise Zone can benefit from business rates discounts, superfast broadband and simplified planning.
18. The City Deal signed with the Government in January 2014 will deliver innovation-led economic growth, building on the area’s world class economic assets including the universities and research and development activities. Page 3 The City Deal document explains that it will:
- Invest in a network of new innovation and incubation centres which will nurture small businesses (including the Harwell Innovation Hub).
 - Invest to accelerate the delivery of 7,500 homes across the county. To support this commitment, Oxford & Oxfordshire will propose an ambitious Local Growth Deal, including a request to lift the Housing Revenue Account debt cap.
 - Enable three new transport schemes to support developments at the Enterprise Zone, Northern Gateway and the first phase of the “Science Transit” public transport scheme.
 - Deliver over 500 new Apprenticeships for young people.
 - Put in place a governance structure that enables Oxford and Oxfordshire local authorities to work together with the Local Enterprise Partnership Board to deliver the City Deal.
19. These policy initiatives will result in accelerated economic growth for the area so must be considered as an influence on future housing need.

What are the implications of the 2012-based CLG Household Projections for the objectively-assessed need for housing?

20. Figures shown in the 2012 Household Projections are similar to the 2011 figures used in and amended for the Oxfordshire SHMA. The 2012 Household Projections for 2031 are some 58,000 households (Table 406). Table 84 in the SHMA shows the amended 2011 figures. For 2031 the predicted number of households is 58,856, which is virtually identical to the 2012 projections. Therefore the Partnership's view is that the 2012 based CLG Household Projections to all intents and purposes confirm the Vale's assessment of its objectively assessed need.

Is the identified need for 219 ha of land for future employment development (policy CP6) soundly based and supported by robust and credible evidence?

21. The Partnership's position is that the Plan's assumption that approximately 23,000 jobs will be delivered between 2011 and 2031 is soundly based and supported by robust evidence but that this number of jobs can be accommodated on significantly less than the 219 hectares of land referred to in Policy CP6.
22. The Local Plan evidence base includes an Employment Land Review (ELR) Addendum 2014 produced by URS. The purpose of the Addendum is to update the Council's Employment Land Review to reflect the projected 23,000 jobs figure identified in the 2014 Cambridge Econometrics (CE) report: Economic Forecasting to inform the Oxfordshire Strategic Economic Plan and Strategic Housing Market Assessment. It is apparent that the evidence base identifies a significant surplus of employment land compared with that required to meet the job forecasts of the Local Plan.
23. For example, the February 2013 draft of the Local Plan assumed that there was only 143 hectares of employment land available (draft CP4), compared with the 219 hectares now identified in CP6. Even that level of employment land was considered to be more than was required (URS Employment land Review 2013 page 77).
24. The 143 hectares was assumed to support 14,300 jobs (URS page 50) but the later CE report has confirmed that it is only necessary to achieve 13,800 jobs from employment land (page 40), because the remainder of the forecast requirement of 23,000 jobs will come forward on other land (e.g. hospitals, town centres etc.). Again, the CE report concluded that there is a surplus of employment land ("*plenty of capacity*") (page 41). The submitted Core Policy 6 identifies 219 hectares of employment land – but this is simply a record of what is now known to exist, rather than a statement of what is needed to deliver the 13,800 jobs identified in the CE report.
25. This is explained further in the most recent Addendum, which states at paragraph 3.1 on page 10 that:
- “3.1 The council has identified that an increased amount of available employment land exists in Science Vale than previously understood. This updated understanding of the employment land supply has been

informed through consultation with key stakeholders; through the Cambridge Econometrics Report and also as an update to the existing Employment Land Review where previous assumptions have now changed. This does not affect the spatial distribution of employment in the district, nor have any of the employment land boundaries been amended. The changes are identified as follows:

- Harwell Campus Enterprise Zone (EZ) land – The Employment Land Review previously identified the total amount of enterprise zone land at Harwell Campus as being 64ha. This was the total amount of land that was originally applied for by the Local Enterprise Board in 2011. During the application process, a revised boundary was submitted but the revised land area was not updated accordingly. This has now been corrected and the total amount of enterprise zone land at Harwell Campus is 94ha. The cumulative total of enterprise zone land in Science Vale (with Milton Park) is now 122ha. The total number of jobs to be provided specifically on this land, however, remains unchanged at 5,400.
- Other land at Harwell Campus outside of the Enterprise Zone boundary – The Cambridge Econometrics Report identifies that over the plan period, there will be job growth in sectors such as space science, satellite technologies and environmental technologies. The report identifies that this growth would be expected to take place within or adjacent to the Enterprise Zone land at Harwell Campus. This growth is in addition to the 5,400 jobs identified above. Table K.4 of the CE report states that additional land “should be available for development in the short term over and above the EZ area, and more long term”. As a result of this, the council have identified 35ha of non EZ land at Harwell Campus to satisfy the provision of these jobs.”

(our emphasis)

26. In addition, further long-term employment land will become available at the Harwell Campus as land within the ‘licensed site’ is progressively decommissioned.
27. The corollary of this analysis is that the Harwell Campus can meet its Local Plan jobs target and can also accommodate the additional 850 homes (over and above the proposed North-West of Harwell allocation for 550 homes.