

# **Vale of White Horse Local Plan 2031 Part 1**

## **Examination**

### **Statement by Vale of White Horse District Council**

#### **Stage 1 – Main Strategic Issues**

#### **Matter 2 – Objectively Assessed Needs for Housing and Employment Land**

**August 2015**

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### **Inspectors Question**

2.1 Is the identified objectively-assessed need for housing of 20,560 new dwellings (an average of 1028 per year), as set out in policy CP4 soundly based and supported by robust and credible evidence?

- a) Are the SHMA's demographic adjustments to the 2011 CLG Household Projections soundly based?
- b) Is it appropriate to include an allowance for addressing past shortfalls in the delivery of housing against the South East Plan housing requirements?
- c) Is the SHMA's adjustments to take account of forecast economic growth as set out in the Cambridge Econometrics/SQW report soundly based?
  - (i) Are the report's forecast of employment growth in the District realistic?
  - (ii) Is there evidence that the forecast employment growth would give rise to demand for new housing within the Vale of White Horse District?
- d) What are the implications of the 2012 based CLG Household Projections for the objectively-assessed need for housing?

2.1.1 The Local Plan 2031 Part 1 set outs a housing requirement of 20,560 dwellings which is required over the plan period to meet the Vale of White Horse District's objectively assessed housing need as assessed and identified within the Oxfordshire Strategic Housing Market Assessment 2014 (SHMA)<sup>1</sup>. The objectively assessed housing need for the district has been identified in the context of an overall need for the housing market area (HMA) of Oxfordshire, further details are provided at Appendix 1. A robust demographic and economic led assessment of the full objectively assessed needs for market and affordable housing for the Oxfordshire HMA has provided a sound and clear understanding of the full housing needs for each of the 5 local authorities within the HMA and has been undertaken in

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<sup>1</sup> EIP Library Ref: HOU01 - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

compliance with the National Planning Policy Framework (NPPF)<sup>2</sup>, and the Planning Practice Guidance (PPG).

- 2.1.2 The SHMA methodology was agreed and monitored by all the Oxfordshire Councils, with independent consultants GL Hearn who undertook the work, ensuring the SHMA is compliant with the NPPF<sup>3</sup>. The Inspector's Report for Cherwell District<sup>4</sup> on their Local Plan endorsed this approach.
- 2.1.3 The SHMA Report provides a detailed explanation of the methodology for the different elements of the assessment. This Statement does not seek to repeat this, however Appendix 1 provides an overview of the approach with relevant key aspects explained below to demonstrate the objectively assessed housing need is based on credible and robust assessment including explanation of appropriate adjustments reflecting local circumstances in line with PPG<sup>5</sup>.

### Housing Market Area

- 2.1.4 An Oxford focussed sub regional housing market has previously been identified through national and local research, however the SHMA critically reviewed the definition of the market area in line with the PPG<sup>6</sup>. This included an interrogation into house prices, migration and commuting flows<sup>7</sup>. The evidence clearly demonstrated Oxfordshire County is the most appropriate geographic area for the analysis of housing markets for the local authorities; it being a functional housing market area.

### Demographic Led-Projection

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<sup>2</sup> **EIP Library Ref: LNP03** - Department for Communities and Local Government (2012). National Planning Policy Framework – Paragraph 47 & 159. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>3</sup> **EIP Library Ref: HOU01, HOU01.2, HOU01.3** - GL Hearn (2014). Oxford Strategic Housing Market Assessment: Final Report. Available at: <http://www.whitehorsedc.gov.uk/java/support/Main.jsp?MODULE=FolderView&ID=447616683&CODE=EC06F74F1E609C82DC820516FCFD8850&NAME=07+HOU++Housing&REF=LOCAL%20PLAN%202031%20PART%201%20EXAMINATION%20LIBRARY>

<sup>4</sup> **EIP Library Ref: LNP13** The Planning Inspectorate (2015). Report to Cherwell District Council – Paragraph 47. Ref: PINS/C3105/429/4. Available at: [http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell\\_Local\\_Plan\\_Inspector's\\_Report\\_with\\_Main\\_Modifications\\_2015.pdf](http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell_Local_Plan_Inspector's_Report_with_Main_Modifications_2015.pdf)

<sup>5</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-005-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/the-approach-to-assessing-need/>

<sup>6</sup> Department Communities and Local Government (2014). Planning Practice Guidance – Paragraph: Housing and Economic Development Needs Assessment (Scope of Assessments) - Reference ID: 2a-011-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/scope-of-assessments/>

<sup>7</sup> **EIP Library Ref: HOU01.3** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617577&CODE=29903A1B40B5ED41E2464839F7E6F61B](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617577&CODE=29903A1B40B5ED41E2464839F7E6F61B)

- 2.1.5 The starting point for assessing housing need is the latest projections published by DCLG<sup>8</sup>. At the time of preparation of the Oxfordshire SHMA, the latest Government Projections<sup>9</sup> indicated growth of 388 households per annum between 2011-2021.
- 2.1.6 In line with the PPG, the SHMA assessed the latest household and population projections and identified that they were based on a continuing deterioration in household formation rates. It also identified that there were further problems with the underlying information used to project population growth, particularly migration.
- 2.1.7 The projections were updated and adjusted to take account of the revised Mid-Year Population Estimates, and extended to 2031 to ensure a credible trend-based projection of population was used as a starting point for considering housing need. This included adjustments to household formation rates, taking account of evidence of the consequences of past housing under-delivery, and to ensure that the future assessment was not constraining housing need. The updated demographic-led projections indicated a need of 468 homes per annum for the district. Further detail is provided in response to 2.1 a) below.
- 2.1.8 The SHMA also considered if a past shortfall in housing delivery had occurred and brought this together with the core demographic-led projection which resulted in a need of 508 houses per annum in the District. Further detail is provided in response to 2.1 b) below.

### *Affordable Housing*

- 2.1.9 In line with the PPG<sup>10</sup>, the SHMA examined whether an increase in the housing need figure was required where it would help deliver the required number of affordable homes. It identified an annual need for 273 affordable homes per annum. The level of affordable housing need provided evidence of the need to increase housing provision above the trend-based demographic projections (468 homes per year). The higher planned housing provision (1028 homes per year) is sufficient to meet affordable housing need in full.

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<sup>8</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: PPG 2A-015-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

<sup>9</sup> 2011-based interim sub national population projections (SNPP) and the 2011 based interim housing projections which are directly based on the SNPP

<sup>10</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Housing and Economic Development Needs Assessment (Methodology: Assessing Housing Need) Ref - 2a-029-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

### Market Signals

- 2.1.10 The SHMA<sup>11</sup> analysed housing market dynamics considering market signals such as housing costs, land prices and affordability<sup>12</sup>. The assessment concluded there had been a deterioration in the affordability of market housing across Oxfordshire, resulting in an increasing proportion of households renting for longer or living on shared accommodation and lower quartile house prices 8.5 times lower quartile incomes in the District compared to 6.6 across England. These factors pointed strongly towards considering higher overall levels of housing provision. This also provided strong evidence of the need to adjust the household formation rates as considered above and more generally to increase levels of future housing provision.

### Balancing Jobs and Housing

- 2.1.11 In accordance with the NPPF<sup>13</sup>, the SHMA assessed what level of housing would be needed to support growth in jobs over the 2011-31 period. Economic forecasts were developed alongside the SHMA by SQW and Cambridge Econometrics<sup>14</sup> concluding that employment could be expected to increase by 23,000 in the District over the 2011-31 period. This was based on trend-based projections and consideration of the effects of planned investment, such as the Oxfordshire City Deal and the Science Vale Enterprise Zone, which could be expected to support growth in jobs in the District. The SHMA identified that migration would need to rise to support this, relative to past trends, indicating a need for 1028 homes per annum. Further detail is provided in response to 2.1 c) below.

### District's Objectively Assessed Housing Need

- 2.1.12 In conclusion, the SHMA employed a thorough and transparent process, it firstly assessed demographic led projections, then considered the case for adjustments to these to improve affordability, deliver the affordable homes needed, and support expected growth in jobs to provide a sound and

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<sup>11</sup> **EIP Library Ref: HOU1** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Chapter 3. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

<sup>12</sup> Department for Communities and Local Government (2014). Planning Practice Guidance Ref: 2a-019-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/methodology-stage-2-sitebroad-location-assessment/>

<sup>13</sup> **EIP Library Ref: LNP03** - Department for Communities and Local Government (2012). National Planning Policy Framework – Paragraph 158 Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>14</sup> **EIP Library Ref: LNP03** - Department for Communities and Local Government (2012). National Planning Policy Framework – Paragraph 158. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

credible evidence base on the objectively assessed need for Oxfordshire and the individual authorities in accordance with the NPPF and PPG. The objectively assessed housing need for the district is based on an enhanced level of growth significantly above the demographic led projection. The Inspector's Report on Cherwell District's Local Plan endorsed this approach, stating the committed economic growth scenario OAN takes full account of robust economic evidence as well as strong market signals confirming the strong level of demand in the County<sup>15</sup>. A single figure for the objectively assessed housing need for the district is provided because it is directly aligned to the committed economic growth scenario.

### *Delivery of the Objectively Assessed Housing Need*

- 2.1.13 The PPG<sup>16</sup> is clear that the assessment of the objectively assessed housing need should be based on evidence and constraints should not be applied to the assessment. The SHMA accords with this guidance. To demonstrate the Council can meet its OAN in full, a Strategic Housing Land Availability Assessment (SHLAA) and assessment of housing deliverability were undertaken.
- 2.1.14 The SHLAA<sup>17</sup> assessed the availability of suitable and deliverable sites within the district. This demonstrated at a high level that there were sufficient, available and suitable housing sites for the district to meet its objectively assessed housing need reflecting the spatial strategy of the Plan.
- 2.1.15 In addition to the SHLAA, the Council engaged with Planning and Development Consultants to undertake an assessment of the deliverability of development to meet the objectively assessed housing need. The Meeting the Objectively Assessed Need for Housing Report<sup>18</sup> acknowledged that the increase in delivery rate of housing proposed is challenging and thus assessed the delivery options for the overarching spatial strategy to ensure

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<sup>15</sup> **EIP Library Ref: HOU03** - HDH Planning & Development (2014). Meeting Objectively Assessed Need for Housing – Paragraphs 50-51. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617576&CODE=29903A1B40B5ED417ED3D46988CF6814](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617576&CODE=29903A1B40B5ED417ED3D46988CF6814)

<sup>16</sup> Department for Communities and Local Government (2014). Planning Practice Guidance Ref: 2a-004-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/the-approach-to-assessing-need/>

<sup>17</sup> **EIP Library Ref: HOU09** - HDH Planning & Development Ltd (2014) Strategic Housing Land Availability Assessment. Available at: <http://www.whitehorsedc.gov.uk/java/support/Main.jsp?MODULE=FolderView&ID=447617438&CODE=F5DCE9CA0383EFDE56D41F50423398DD&NAME=HOU09+Strategic+Housing+Land+Availability+Assessment+incl+Appendices&REF=LOCAL%20PLAN%202031%20PART%201%20EXAMINATION%20LIBRARY>

<sup>18</sup> **EIP Library HOU03** - HDH Planning & Development (2014). Meeting Objectively Assessed Need for Housing – Paragraphs 50-51. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617576&CODE=29903A1B40B5ED417ED3D46988CF6814](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617576&CODE=29903A1B40B5ED417ED3D46988CF6814)

the Local Plan meets the widest possible market. Further detail on this, is provided within the Council's Statement on Matter 3.

- 2.1.16 The Report concluded the Council has a realistic prospect of delivering the OAN through using a strategy that includes a range of medium to small scale strategic housing sites in a variety of locations. The spatial strategy reflects this.

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

- 2.1.17 The Council consider the SHMA's demographic adjustments to the latest Household Projections (2011-based) are soundly based<sup>19</sup>.
- 2.1.18 In accordance with the PPG<sup>20</sup>, the SHMA considered the latest Government Projections available at the time of preparation, which were the 2011-based interim sub national population projections (SNPP) and the 2011 based interim housing projections which are directly based on the SNPP and covered the period 2011-2021. The household projections predicted a level of growth that was notably below the average growth expected for both the region and nationally. More noticeably the growth projected in Oxford City was negative and growth in South Oxfordshire and the Vale was also relatively low. This did not appear credible given there is a high demand for housing, in particular in Oxford<sup>21</sup>. In addition new demographic information from the 2011 Census had been released. The SHMA therefore interrogated the data feeding into the 2011 based interim SNPP and considered the 2011 and 2012 Mid-Year Population Estimates.

**Migration**

- 2.1.19 The SHMA developed a bespoke model for Oxford City developing a trend based demographic projection. This was required because the interrogation into the data feeding into the 2011 SNPP and past trends demonstrated a

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<sup>19</sup> EIP Library Ref: HOU1 - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Chapter 5. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

<sup>20</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: PPG 2A-015-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

<sup>21</sup> EIP Library Ref: HOU1 - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Chapter 3. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)



complete disconnect between what happened in the past and what is expected in the future<sup>22</sup>. Further detail on this is provided at Appendix 1.

- 2.1.20 The bespoke model assessed population change and identified what accounts for natural change and migration, using Census data and the ONS Mid-Year population projections for the period 2001 to 2011. This assessment also included the contribution of 'Unattributable Population Change' (UPC)<sup>23</sup> which is a category within the ONS data.
- 2.1.21 An assessment of more recent population change and migration data was undertaken for the other local authority areas including the Vale. This resulted in some changes, however revisions were mainly due to adjustments to reflect mis-recording of migration as accounted for within the UPC. For the Vale this resulted in an increase of net migration by 94 people per annum<sup>24</sup>

#### *Fertility and Mortality Data*

- 2.1.22 No adjustments were made to the fertility and mortality rates contained within ONS 2010 based SNPP which are the same as those used within the ONS 2011 based SNPP.

#### *Headship Rates*

- 2.1.23 In accordance with the PPG<sup>25</sup>, the SHMA<sup>26</sup> adjusted household formation rates as analysis showed that household formation had been constrained during the 2001-11 period; and that the 2011-based Household Projections were projecting this forwards.
- 2.1.24 Reflecting this, the core outputs used were based on using trends derived from the (pre-recession) 2008-based Household Projections, but re-based to

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<sup>22</sup> **EIP Library Ref: HOU1** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Figure 44, pg 78. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

<sup>23</sup> UPC is a change in population which is evident from the population data but is unknown in terms of the component for which it comes. ONS suggest this can be caused by a range of factors including mis-recording or migration or errors in census data.

<sup>24</sup> **EIP Library Ref: HOU1** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Table 20, pg 81. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

<sup>25</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-015-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

<sup>26</sup> **EIP Library Ref: HOU1** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Chapter 5. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

take account of the 2011 Census data ensuring a more accurate rate was projected forward.

- 2.1.25 In conclusion, the SHMA has been through a thorough process of testing and where appropriate adjustments were made to the demographic-led projections to provide a robust starting point for considering housing need. This included updated assumptions on future migration and remodelled headship rates to ensure a continuation of a deterioration in household formation is not projected forward. The adjustments provided are consistent with the PPG. The Inspector of the Cherwell Local Plan also noted it is particularly difficult of late to forecast new housing due to complications arising from the effects of the recession in respect of household formation rate and variations in international migration into this country that are difficult to accurately record, let alone project forward<sup>27</sup>.

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

- 2.1.26 The PPG recognises that past under-delivery may have influenced local demographic trends and household formation rates<sup>[1]</sup>. Therefore the SHMA considered the case for upward adjustment from the base demographic-led projections to account for a shortfall in housing delivery against the South East Plan. This was then considered as a benchmark against which economic-led scenarios are assessed.
- 2.1.27 The approach adopted recognised that an under-delivery of housing could restrict migration to the District and thus influence trend-based projections; but that increases in increasing housing delivery, higher population growth could be expected and that this can support workforce growth. Therefore the SHMA's conclusions on housing need for the Vale are driven particularly by the need for higher migration to support expected economic growth. The increase in housing provision necessary to achieve this objective is greater than, and more than covers, the past under-delivery. An additional allowance for under-delivery is therefore not "added on" to the economic-led projections as this would represent double counting as the adjustments to the projection have already been adjusted to account for this.

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<sup>27</sup> **EIP Library Ref: LNP13** The Planning Inspectorate (2015). Report to Cherwell District Council. Ref: PINS/ C3105/429/4. Available at: [http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell\\_Local\\_Plan\\_Inspector's\\_Report\\_with\\_Main\\_Modifications\\_2015.pdf](http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell_Local_Plan_Inspector's_Report_with_Main_Modifications_2015.pdf)

2.1.28 To demonstrate this, the Vale's demographic-based housing need was for 468 homes per annum. In taking account of under-delivery, it indicated a need for 508 homes per annum. The economic-led projections which were prepared independently of any issues of shortfall against the South East Plan, indicated a need for 1028 homes per annum, in order to deliver the workforce growth needed. In comparison the economic led projections are much greater than the demographic need plus under delivery. This combined with the adjustments made has adequately addressed the past shortfall in delivery.

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

2.1.29 The Council consider the SHMA's adjustments to take account of forecast economic growth is soundly based and was undertaken in accordance with the NPPF<sup>28</sup>. In particular the approach was based on the business needs of the economic markets operating in and across the area<sup>29</sup>.

2.1.30 The economic forecasts were undertaken by Cambridge Econometrics (CE) in conjunction with SQW. The work undertaken considered in detail the local economy and economic market areas across Oxfordshire, and the factors that can be expected to influence future performance across the county and in different parts of it. It assessed and forecasted employment growth by sector providing a detailed disaggregation. This is accordance with the PPG<sup>30</sup>.

2.1.31 The Cambridge Econometrics / SQW report<sup>31</sup> used CE's Local Economy Forecasting Model (LEFM) which is widely used by local authorities and other bodies throughout the country. CE is one of 17 non-City forecasts for the UK economy included in HM Treasury's monthly comparison of independent forecasts (see <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy>) and is typically mid-range.

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<sup>28</sup> EIP Library Ref: LNP03 - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 58. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>29</sup> EIP Library Ref: LNP03 -Communities and Local Government (2012). National Planning Policy Framework – Paragraph 60. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>30</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-032-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-economic-development-and-main-town-centre-uses/>

<sup>31</sup> EIP Library Ref ECO02 - Cambridge Economics & SQW (2014). Economic Forecasting to Inform the Oxfordshire Strategic Economic Plan and Strategic housing Market Assessment. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817)

- 2.1.32 The Report was endorsed by all the local authorities within Oxfordshire which was undertaken in conjunction with and endorsed by the Oxfordshire Local Enterprise Partnership in which used the Report to inform the Strategic Economic Plan. This demonstrates a full commitment by key partners in the sub-region to deliver and optimise growth.
- 2.1.33 The forecasts using LEFM were developed in three stages, as highlighted in Table 2 below.

*Table 2: Economic Forecast Scenarios*

Baseline Scenario	Alternative Demographic Scenario	Committed Economic Growth Scenario
Assumed historical trends in relative growth in Oxfordshire compared with the wider South East and UK economy (on an industry-by-industry basis) seen over the past 15 years or so continue into the future. These are effectively trend-based projections;	Assumed historical trends continue whilst including corrections for anomalies relating to the student population in the baseline projections. This simply ensured the projections were based on appropriate assumptions on population growth	Developed on the Alternative Demographic Scenario, reflecting planned initiatives and investments to support economic growth such as the Science Vale Enterprise Zone and funding secured to support investment through the Oxfordshire City Deal.
9,100 Jobs	10,600 Jobs	23,000 Jobs

- 2.1.34 The Vale's OAN is based on the committed economic growth scenario. The Oxfordshire economy has performed reasonably well with the committed economic growth scenario maximising potential future growth based on the strength of the economic drivers in the sub-region and an assessment of the related growth potential. The committed economic growth scenario relates principally to committed investment and current initiatives which mean that it is reasonable to expect the economy to perform strongly. This is supported by a succession of reports and initiatives which articulate the strong growth potential of the area, capitalising on its assets and addressing constraints to achieve a step change in growth including demonstrating there is a strong partnership approach to meeting economic needs and maximising growth. These include SQW's report on the 'Oxfordshire Innovation Engine'<sup>32</sup>, the LEP's Strategic Economic Plan, the Oxfordshire City Deal, the Science Vale Enterprise Zone (EZ) and improvements to the Great Western and Chiltern rail lines. This approach is consistent with the NPPF<sup>33</sup>.

<sup>32</sup> commissioned by the University of Oxford, the Oxford Trust and the Oxfordshire LEP and published in 2013

<sup>33</sup> EIP Library Ref: LNP03 - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 160. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

2.1.35 The Committed Economic Growth Scenario reflects the real growth potential of the area, with both the university and private sector firms driving growth and innovation, for example:

- the University is significantly expanding its research and commercialisation capacity, and has strengthened its links with the local business community;
- at Harwell Campus there is now a clear commitment, and the resources, to develop a major science park to exploit links with the research infrastructure. The EZ designation at Harwell Campus (in 2012) is an important part of this,
- the District accommodates some of the County's largest and fastest growing high tech firms, such as Adaptimmune, Oxford Instruments, Sophos and Williams; and
- two new large, 'patient', investment funds have been launched (Woodford and OSI).

2.1.36 The Inspector for the Cherwell District Local Plan endorsed the important policy decision by the relevant Councils, including Cherwell, to select this above-trend growth scenario as appropriate, reasonable and realistic in the current context<sup>34</sup>. He stated a policy decision to provide over and above the numbers needed to meet population and demographic projections alone, takes into account the present level of employment commitments in the district and nearby. This includes the very positive prospects for the county's economy, the relevant county and district Strategic Economic Plans, the Oxford/Oxfordshire City Deal (2014) and the objectives of the two Local Economic Partnerships involved<sup>35</sup>. The evidence for the very positive economic growth prospects bolstered by the national economic recovery now underway is robust and realistic. He acknowledged and endorsed that it had been agreed by the relevant Councils, including Cherwell, as the most suitable and appropriate basis on which to plan for their new housing needs up to 2031.

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<sup>34</sup> **EIP Library Ref: LMP13** The Planning Inspectorate (2015). Report to Cherwell District Council - Paragraph 14. Ref : PINS/C3105/429/4. Available at:  
[http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell\\_Local\\_Plan\\_Inspector's\\_Report\\_with\\_Main\\_Modifications\\_2015.pdf](http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell_Local_Plan_Inspector's_Report_with_Main_Modifications_2015.pdf)

<sup>35</sup> **EIP Library Ref: TRA04** - Deputy Prime Minister's Office of State for the Cabinet (Cities and Constitution) The Rt Hon Nick Clegg MP Cabinet Office (2014) Oxford and Oxfordshire City Deal - Paragraph 46. Available at:  
<https://www.gov.uk/government/publications/city-deal-oxford-and-oxfordshire>

***(i) Are the report's forecast of employment growth in the District realistic?***

- 2.1.37 The committed economic growth scenario forecast for employment growth in the Vale are realistic, in comparison with past rates of growth in the district, with growth achieved in other strong local economies, and in the context of events since the CE/SQW report was produced.
- 2.1.38 The council, in accordance with the NPPF<sup>36</sup> and PPG<sup>37</sup>, is planning positively and proactively for economic growth seeking to support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. The council has also, through this evidence, planned positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries. This has been undertaken through liaising with the business community to understand current and future needs.
- 2.1.39 The forecast growth for the Vale between 2011 and 2031 equates to an average annual growth rate of 1.5%. In comparison, between 1981 and 2000 employment in the District grew by 2.7%, and by 0.5% between 2000 and 2011. Considering comparator areas, average annual employment growth 1990 to 2011 was 2.5% in South Cambridgeshire and 1.2% in Huntingdonshire. These districts have a geographical and functional relationship to Cambridge which is broadly comparable to that of Vale and Oxford; and South Cambridgeshire has a similar cluster of research institutes.
- 2.1.40 Events since completion of the CE/SQW report have supported the realism of the committed economic growth forecast. For example:
- there is evidence of an increase in the volume of enquiries from businesses to locate at Harwell Campus. Planning permissions have been granted for 9,941sqm of office and R&D space, and applications have been submitted for a further 24,100 sqm of mixed use commercial space;
  - the UK Space Agency has stated that it aims to attract to Harwell Campus between 3.5% and 5% of 100,000 jobs expected to be created

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<sup>36</sup> EIP Library Ref: LNP03 - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 21. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>37</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: Ref 2a-30-20140306 to 2a-32-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/when-is-permission-required/what-are-permitted-development-rights/>

in the space industry sector by 2031<sup>38</sup> (i.e. between 3,500 and 5,000 jobs); this supports the estimate in the CE/SQW report of 4,000 new jobs at Harwell Campus in this sector over the same period;

- two of the largest high tech companies in Vale of White Horse - Adaptimmune and Sophos – are in the process of major fund raising to enable a step change in their growth.

2.1.41 As stated above, the Inspector for the Cherwell Local Plan reviewed the CE/SQW figures as part of the examination of housing and employment numbers, and concluded that they were both sound and realistic<sup>39</sup>.

***ii. Is there evidence that the forecast employment growth would give rise to demand for new housing within the Vale of White Horse District?***

2.1.42 The Council consider there is evidence that the forecasted employment growth will provide demand for housing, as demonstrated within the SHMA<sup>40</sup>. The NPPF<sup>41</sup> is clear the assessment of housing economic growth should be integrated as well as the PPG<sup>42</sup> stating that the overall housing need figure should be adjusted to ensure there is sufficient homes to support expected job growth.

2.1.43 As explained above, the committed economic growth scenario reflects a realistic forecast based on past trends and taking into account recent or planned changes to policies or investments which are likely to affect economic and employment growth. Reflecting this, the CE/SQW Report and the SHMA have demonstrated the Vale will have high economic growth in jobs compared to the other authorities in Oxfordshire. In accordance with the PPG the SHMA has therefore ensured there is sufficient housing to meet the growth of residents in employment within the district using current commuting patterns.

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<sup>38</sup> **EIP Library Ref: ECO010** - Oxfordshire LEP Strategic Economic Plan (2014) Oxfordshire LEP Strategic Economic Plan Driving Economic Growth Through Innovation. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617072&CODE=AAC65B5B887900C828455DC421EEA552](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617072&CODE=AAC65B5B887900C828455DC421EEA552)

<sup>39</sup> **EIP Library Ref: LNP13** The Planning Inspectorate (2015). Report to Cherwell District Council – Paragraph 47, 50 & 51. Ref: PINS/ C3105/429/4. Available at: [http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell\\_Local\\_Plan\\_Inspector's\\_Report\\_with\\_Main\\_Modifications\\_2015.pdf](http://www.cherwell.gov.uk/media/pdf/d/9/Cherwell_Local_Plan_Inspector's_Report_with_Main_Modifications_2015.pdf)

<sup>40</sup> **EIP Library Ref: HOU1** - GL Hearn Ltd (2014). Oxford Strategic Housing Market Assessment: Final Report – Paragraph 5.39 – 5.55. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617568&CODE=6F4A498FB8543FF38B322A39609EFF5C)

<sup>41</sup> **EIP Library Ref: LNP03** - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 158. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>42</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-018-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

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

- 2.1.44 The Council re-engaged with GL Hearn in July 2015 to assess the implications of the 2012-based Household Projections for the objectively assessed need for housing in the District<sup>43</sup>.
- 2.1.45 PPG sets out that local needs assessments should be informed by the latest information; but this does not mean that housing assessments are rendered out-of-date every time new projections are issued. A meaningful change in the housing situation should be considered in this context<sup>44</sup>.
- 2.1.46 The household projections, as published, indicate growth in households of 7,950 over the plan period (2011-31), equivalent to an average 398 households per year. GL Hearn has undertaken updated modelling of housing need, taking account of the 2013 and 2014 Mid Year Population Estimates, as the PPG recommends, and including an allowance for vacant and second homes. This suggests a need for 8,640 dwellings (432 per year) over the plan period. This compares to a need for 9,360 homes identified in the trend-based demographic projections in the SHMA. The more recent trend-based demographic projections suggests housing need which is 8% lower.
- 2.1.47 The latest projections include the latest data on the profile of migration and household formation rates. GL Hearn's updated analysis considers the implications of this. The economic evidence, and the plan itself, are based on delivering 23,000 new jobs over the 2011-31 plan period. The updated analysis, taking account of the latest demographic data, suggests 1,001 homes per year would be needed to support this.
- 2.1.48 GL Hearn has also re-examined household formation rates. Their analysis indicates that the 2012-based Household Projections expect household formation of those aged 25-34 to fall very modestly (from 42% to 41%) between 2011-31. Assumptions for other age groups are considered to be reasonable. A sensitivity analysis which returns household formation for this age group to 2001 levels (45%) over the plan period shows a housing need for 1045 homes per year.

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<sup>43</sup> **EIP Library Ref: HOU10** - GL Hearn (2015) Implications of 2012-based Household Projections on Housing Need in Vale of White Horse District Report.

<sup>44</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: Ref 2a-016-20150227. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>



- 2.1.49 Taking account of the 2012-based Household Projections, a reasonable assessment of housing need in the District would be for between 1001 – 1045 homes per year. The planned provision for 1028 homes per year sits within this, and would support some improvement in household formation amongst younger households, the plan's economic growth ambitions and delivery of affordable housing.
- 2.1.50 Remodelling analysis to take account of the latest official population and household projection data suggests that housing need could be from -3% below to +2% above the planned provision. The Council does not consider that this represents a meaningful change in the evidence which warrants any adjustment to the plan in line with the PPG. It concludes the latest evidence continues to support the analysis in the SHMA.

### SHMA Summary

- 2.1.51 The SHMA has ensured an integrated, robust and credible approach to assessing the objectively assessed housing need following a clear and nationally approved methodology which has been agreed by all the Oxfordshire authorities. The housing requirement for the district identified within Core Policy 4 proposes the Council meet its full, up to date levels of objectively assessed need as identified in the SHMA. The Council has also provided evidence to ensure the OAN is deliverable in which is reflected in the spatial strategy. In accordance with the NPPF, this demonstrates the OAN is aspirational but also realistic<sup>45</sup> and will boost housing supply<sup>46</sup>.
- 2.1.52 It has also been demonstrated the 2012-based Household Projections do not lead to a material change to the level of assessed housing need, or provide robust evidence to justify any change to the planned level of provision.

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<sup>45</sup> **EIP Library Ref: LNP03** - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 154. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>46</sup> **EIP Library Ref: LNP03** - Communities and Local Government (2012). National Planning Policy Framework – Paragraph 47. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

**Inspectors Question:**

2.2 Is the identified need for 13 additional pitches for gypsies and travellers (CP27) soundly based and supported by robust and credible evidence?

- 2.2.1 The Council consider the identified need for gypsies and travellers is soundly based in accordance with national guidance as set out in the NPPF and the Planning Policy for Travellers (PPTS).
- 2.2.2 The PPTS sets out the Government's planning policy for traveller sites. It requires local planning authorities to set pitch targets for gypsies and travellers and plot targets for travelling showpeople through working collaboratively with neighbouring local authorities<sup>47</sup>. As stated above the assessment of needs has been prepared jointly with adjacent authorities considering cross boundary movements in accordance with the PPTS. Core Policy 27 reflects this clearly identifying the needs of gypsies and travellers.
- 2.2.3 It is also supported by robust and credible evidence, which is set out within Gypsy, Traveller and Travelling Showpeople Needs Assessment 2012/13 Executive Summary (GTTS Executive Summary)<sup>48</sup>, Gypsy, Traveller and Travelling Showpeople Needs Assessment 2012/2013 (GTTS Update)<sup>49</sup> and Gypsy, Traveller and Travelling Showpeople Needs Assessment 2014 Update (GTTS Update)<sup>50</sup>, all of which were prepared jointly with South Oxfordshire District Council and Oxford City Council.
- 2.2.4 The GTTS Update was prepared to update the needs in line with a revised methodology. This was due to a number of important decisions elsewhere in the country where similar methodologies have been subject to challenge at Examination in Public, public inquiries and planning appeals.

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<sup>47</sup> **EIP Library Ref: LNP14** Communities and Local Government (2012). Planning Policy for Traveller Sites. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6078/2113371.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6078/2113371.pdf)

<sup>48</sup> **EIP Library Ref: HOU07** Open Research (2013) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment 2012/13: Executive Summary. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617552&CODE=B68CDCD8BF6A07FF4126F1E7B52043DD](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617552&CODE=B68CDCD8BF6A07FF4126F1E7B52043DD)

<sup>49</sup> **EIP Library Ref: HOU07.01** Open Research (2013) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment 2012/13. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617557&CODE=B68CDCD8BF6A07FFD2B816DCC79D09D0](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617557&CODE=B68CDCD8BF6A07FFD2B816DCC79D09D0)

<sup>50</sup> **EIP Library Ref: HOU08** Open Research (2014) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment Update. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E)

- 2.2.5 The update offsets any out-migration identified in the original assessment  
*“These households would not have been assessed as need in other areas. This has been seen as a problem by a number of planning inspectors.”*<sup>51</sup>
- 2.2.6 The GTTS Update also reflects the updated position taken by Communities and Local Government with respect to new household formation. The original assessment of need used a growth rate of 2.50% which was considered to be “..a conservatively high number at a time before the Minister’s statement when 3.00% was still commonly being used”<sup>52</sup>. Further detailed analysis of the population of Gypsies and Travellers for the three Oxfordshire authorities is provided in the Update<sup>53</sup> is set out in. This evidence demonstrates a need to reduce the household formation rate from 2.50% to 2.00% for the study area.
- 2.2.7 Through GTTS 2012/13<sup>54</sup> and Update 2014, stakeholder consultation was undertaken with relevant council officers, officers from adjoining and nearby authorities, planning agents and the gypsy and traveller community. The findings have informed the overall need for gypsy and travellers ensuring the needs identified in Core Policy 27 are further based on a sound understanding of relevant needs.
- 2.2.8 In light of this evidence, the Council consider the need for gypsies and travellers is soundly based and supported by robust and credible evidence, particularly in light of a number of important precedent cases set elsewhere in the country in accordance with the PPTS.

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<sup>51</sup> **EIP Library Ref: HOU08** Open Research (2014) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment Update – Paragraph 1.7. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E)

<sup>52</sup> **EIP Library Ref: HOU08** Open Research (2014) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment Update – Paragraph 1.8. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E)

<sup>53</sup> **EIP Library Ref: HOU08** Open Research (2014) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment Update – Paragraph 1.14 -1.17. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617450&CODE=D419CBB7F30FEB7E25689803803A541E)

<sup>54</sup> **EIP Library Ref: HOU07.01** Open Research (2013) Oxford City, South Oxfordshire District and Vale of White Horse District Councils. Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment 2012/13 – Chapter 3 - 4. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617557&CODE=B68CD8BFA07FFD2B816DCC79D09D0](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617557&CODE=B68CD8BFA07FFD2B816DCC79D09D0)

**Inspectors Question:**

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

- 2.3.1 The Council consider the identified need for 219 ha of land for future employment development is soundly based and supported by robust and credible evidence base.
- 2.3.2 The assessment of the amount of future employment land is in accordance with the NPPF<sup>55</sup> ensuring the assessment of housing and employment is integrated, strategically focussing economic growth in Science Vale. It also responds positively to ensuring significant weight is provided of the need to support economic growth<sup>56</sup> through the planning system. It is also in accordance with the PPG<sup>57</sup>
- 2.3.3 The evidence principally comprises of the *Vale of White Horse Employment Land Review 2013 Update* (ELR Update)<sup>58</sup>, *Employment Land Review 2013 Update Appendices*<sup>59</sup>, *Employment Land Review Addendum* (ELR Addendum)<sup>60</sup> and *Economic Forecasting to inform the Oxfordshire SEP and SHMA* (CE Report)<sup>61</sup>. Additional work was prepared with *Science Vale*

<sup>55</sup> **EIP Library Ref: LNP03** - Communities and Local Government (2012). National Planning Policy Framework - Paragraph 158. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

<sup>56</sup> Communities and Local Government (2014). Planning Practice Guidance – Paragraph: 19 Reference ID: 12-010-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/local-plans/preparing-a-local-plan/>

<sup>57</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Methodology: assessing economic development and main town centre uses. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-economic-development-and-main-town-centre-uses/>

<sup>58</sup> **EIP Library Ref: ECO01** - URS Infrastructure & Environment UK Ltd (2013) Vale of White Horse Employment Land Review 2013 Update. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617057&CODE=4322C922C3A11145AC32ECF147F052B3](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617057&CODE=4322C922C3A11145AC32ECF147F052B3)

<sup>59</sup> **EIP Library Ref: ECO01.1** - URS Infrastructure & Environment UK Ltd (2013) Vale of White Horse Employment Land Review 2013 Update. Available at: <http://www.whitehorsedc.gov.uk/java/support/Main.jsp?MODULE=FolderView&ID=447617030&CODE=2FF62A3E53D5DD82A7D2C531C2361301&NAME=ECO01.1+Vale+of+White+Horse+Employment+Land+Review+2013+Update+Appendices&REF=LOCAL%20PLAN%202031%20PART%201%20EXAMINATION%20LIBRARY>

<sup>60</sup> **EIP Library Ref: ECO01.2** - URS Infrastructure & Environment UK Ltd (2013) Vale of White Horse Employment Land Review 2013 Addendum. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617055&CODE=4322C922C3A1114597FD83C1FF20DE59](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617055&CODE=4322C922C3A1114597FD83C1FF20DE59)

<sup>61</sup> **EIP Library Ref ECO02** - Cambridge Economics & SQW (2014). Economic Forecasting to Inform the Oxfordshire Strategic Economic Plan and Strategic housing Market Assessment. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817)

*Housing and Employment Study*<sup>62</sup> to look in more depth at the planned economic growth area of Science Vale.

- 2.3.4 Total forecast jobs figures for the housing market area, including for each district up to 2031, were produced through the CE Report<sup>63</sup> and subsequently informed SHMA. For the Vale, the CE Report forecasts a total jobs growth of approximately 23,000 in the district for the plan period. This growth accounts for all employment sectors, including those which do not specifically require designated employment land (such as agriculture, construction and visitor accommodation).
- 2.3.5 Section 2 of the *ELR Addendum* explains how the CE report figure of 23,000 jobs equates to requirements for approximately 16,000 B use class jobs<sup>64</sup>. This is summarised in the table below<sup>65</sup>

Use Class	Baseline and Alternative Population	Planned Economic Growth	Total
B	6,000	10,000	16,000
Non B	4,600	2,400	7,000
<b>Total</b>	<b>10,600</b>	<b>12,400</b>	<b>23,000</b>

- 2.3.6 Section 3 applies the outcomes from Section 2 above to the vacant and developable land as set out previously in the *ELR Update*. Paragraph 3.1 of the *ELR Addendum* sets out a number of amendments to the total amount of employment land identified within the district. These updates relate to existing employment land designations that have been carried forward from the Vale of White Horse Local Plan 2011.
- 2.3.7 Tables 3.1-3.3 of the *ELR Addendum* set out how the jobs growth could be distributed among the strategic site allocations and other saved Local Plan 2011 employment allocations in the district. It demonstrates that there are sufficient employment sites across the district to accommodate economic

<sup>62</sup> EIP Library Ref: HOU2 - GL Hearn Ltd. (2014) Science Vale Housing and Employment Study. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=454436530&CODE=18AD275F4CA886532CA39D55D2EE17C9](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=454436530&CODE=18AD275F4CA886532CA39D55D2EE17C9)

<sup>63</sup> EIP Library Ref ECO02 - Cambridge Economics & SQW (2014). Economic Forecasting to Inform the Oxfordshire Strategic Economic Plan and Strategic housing Market Assessment. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617061&CODE=BF6E569D1AD64448EB949A2648DF5817)

<sup>64</sup> As defined in the Glossary of the Publication Version of the Local Plan.

<sup>65</sup> EIP Library Ref: ECO01.2 - URS Infrastructure & Environment UK Ltd (2013) Vale of White Horse Employment Land Review 2013 Addendum – Table 2.6. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=447617055&CODE=4322C922C3A1114597FD83C1FF20DE59](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=447617055&CODE=4322C922C3A1114597FD83C1FF20DE59)

growth. The brownfield site of Didcot A, which was a reserve employment allocation in the *ELR Update* is identified in the addendum as necessary to deliver some of the “Baseline and Alternative Population” growth envisaged for the district.

- 2.3.8 There is sufficient flexibility to allow for a wide range of employment use (B1, B2 and B8) to come forward in strategic locations. The Local Plan 2031 Part 1 also includes Core Policy 28 which allows new employment development on unallocated sites, as well as Core Policy 29 which allows for the change of use of existing employment land and premises. This approach allows the district to grow in a planned and strategic manner, while still allowing flexibility as encouraged through the NPPF.

## Appendix 1: Brief overview of SHMA

This Appendix provides an overview of the approach taken with the SMA, developing upon the key aspects explained with Statement to provide further clarity that the objectively assessed housing need is based on credible and robust assessment.

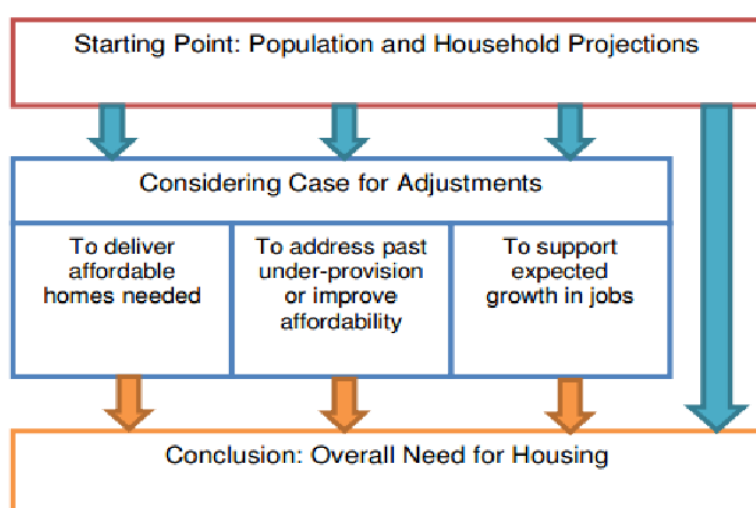
The PPG is clear that there is no one methodological approach that will provide a definitive assessment of development needs however the use of the standard methodology is recommended to ensure findings are transparent<sup>66</sup>. The SHMA closely follows this approach providing a robust method for assessing the full objectively assessed housing needs.

The SHMA has been prepared to meet the relevant tests of the NPPF and PPG, as follows:

- It has been prepared through collaborative working of the local authorities within the housing market area (Paragraph 159);
- It identifies the scale and mix of housing needed to meet household and population projections taking account of migration and demographic change, addressing the needs for all types of housing (including affordable housing), and catering for housing demand (Paragraph 159);
- It is integrated with the evidence base regarding economic performance, and takes full account of market and economic signals (Paragraph 159, Paragraph 17).

In accordance with this, the Oxfordshire SHMA has followed the approach shown in Figure 1a.

Figure 1a: Summary of Approach to identifying Housing Need



<sup>66</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-005-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/the-approach-to-assessing-need/>

The starting point for assessing housing need is the latest projections published by DCLG. At the time of preparation these were the 2011-based interim sub national population projections (SNPP) and the 2011 based interim housing projections which are directly based on the SNPP. The PPG at that time advised that as the projections only cover a 10 year period (2011-2021) plan makers are required to assess likely trends after 2021 and outlined that adjustments may be required to household projections<sup>67</sup>. This is because these projections are based on past demographic trends which do not necessary reflect factors affecting local demography and household formation rates as these are not captured in past trends. Therefore adjustments can be made based on local circumstances, however these need to be clearly explained and justified based on established sources of robust evidence. Account should also be taken of the most recent demographic evidence including the latest ONS population estimates<sup>68</sup>.

The SHMA assessed the household projections and identified that they were based on a continuing deterioration in household formation rates and that there were further problems with the underlying information used to project population growth, particularly migration. To address this, the SHMA updated and adjusted the projections to take account of the revised Mid-Year Population Estimates, and extended the projections to 2031 to ensure a credible and more realistic trend-based projection of population was used as a starting point for considering housing need.

The SHMA assessed the Population Projections and found the 2011 based SNPP projected a significant level of net out migration in Oxford and for the City's population to fall. The SHMA therefore compared the projected net in and out migration used within the 2011-based SNPP against recent trends. Past trends indicated a fairly constant net internal out migration from the City with international in-migrants out numbering out-migrants in virtually all years. However when comparing the projections with the recent trends, there appears to be a complete disconnect between what happened in the past and what is expected in the future<sup>69</sup> with past trends providing a clear pattern of net in migration.

The analysis undertaken showed that household formation has been constrained during the 2001-11 period; and that the 2011-based Household Projections were projecting this forwards. In the 2011-based Projections, reductions in household size would be driven by an increasing older population whilst for younger households, household formation rates were expected to fall.

The SHMA adjusted household formation rates. Its core outputs are based on using trends shown from the (pre-recession) 2008-based Household Projections, but re-

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<sup>67</sup> 'reflect factors affecting local demography and household formation rates which are not captured in past trends.'

<sup>68</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: 2a-017-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

<sup>69</sup> . EIP Library Ref: HOU1. GL Hearn Ltd. (2014) Oxfordshire Strategic Housing Market Assessment – Figure 44. Available at: [http://www.whitehorsedc.gov.uk/java/support/dynamic\\_serve.jsp?ID=454436532&CODE=18AD275F4CA886534D066A0B3050E94F](http://www.whitehorsedc.gov.uk/java/support/dynamic_serve.jsp?ID=454436532&CODE=18AD275F4CA886534D066A0B3050E94F)



based to take account of the 2011 Census data. Such an approach is considered consistent with the PPG<sup>70</sup>

In conclusion, the SHMA has been through a thorough process of testing and where appropriate adjusting the demographic-led projections to provide a robust and realistic starting point for considering housing need. This includes updating assumptions on future migration and remodelling headship rates to ensure a continuation of a deterioration in household formation is not projected forwarded. The adjustments provided are consistent with the PPG. Table 1b shows the outcome of the SHMA for all authorities in Oxfordshire.

Table 1b: Assessed Housing Need for all Oxfordshire Authorities

<b>Area/Authority</b>	<b>Housing need per year (net)</b>	<b>Midpoint of Range</b>
Cherwell	1090-1190	1140
Oxford	1200-1600	1400
South Oxfordshire	725-825	775
Vale of White Horse	1028	1028
West Oxfordshire	635-685	660
Oxfordshire Total	4678-5328	5003

The Oxfordshire 2014 SHMA was tested at the Cherwell Local Plan Examination in which the Inspector published his Report in May 2015. The Inspector concluded the Council had proposed to ensure the Council uses its full, up to date, levels of objectively assessed need as assessed and identified in the 2014 Strategic Housing Market Assessment (SHMA), in accord with the guidance in the NPPF (para 13) which takes account of reasonable population and household projections, having regard to all relevant local factors, including current market conditions in the district. The housing total reflecting the OAN represents a reasonable and realistic, deliverable and justified, basis for meeting local needs over the plan period. The Inspector endorsed the policy decision by the relevant Councils to select the high growth option as appropriate, reasonable and realistic in the current context. He also noted it is particularly difficult of late to forecast new housing relating to complications from the recession in respect of household formation rate and variations in international migration into this country that are difficult to accurately record, let alone project forward.

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<sup>70</sup> Department for Communities and Local Government (2014). Planning Practice Guidance – Reference ID: PPG 2A-015-20140306. Available at: <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>