

Sent by email to: planningpolicy@oxford.gov.uk

24/08/2021

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on Oxford City Local Plan 2040 Local Plan

1. Thank you for consulting the Home Builders Federation (HBF) on the issues paper for the new Oxford Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

Q1 In your opinion have we raised the right issues about how Covid-19 has impacted Oxford? And Q2 What changes in your life do you feel may be long lasting that may be relevant to the Local Plan?

2. The first issue raised by the Council in this consultation is what has changed due to COVID-19. Whilst we would not disagree with the Council's assessment the Council must be careful not to prepare a plan on the basis of what has happened over the last 18 months. The Council recognise at paragraph 2.1.7 that there is no clarity as to the economic impacts of the pandemic and whether there will be long term changes in the way we work and where we want to live. Many of the changes that might be ascribed to the pandemic and outlined by the Council were also longer-term trends that have just been brought into sharp focus by the pandemic. Increased working from home, the increase in online shopping, the decline in high street retail and digital and health inequality were all present before the pandemic and will continue to be so moving forward. As such it will be important to identify the long-term trends and needs beyond the prism of the pandemic and seek to ensure development in Oxford and its neighbouring authorities is supported to address those trends and needs.

Q3 In your opinion have we raised the right issues about how climate change needs to be taken into account in Oxford?

3. The housebuilding industry, through the HBF, recognises that there is a need to improve the environmental performance of new residential development. In order to achieve this, we established with a wide range of partners the Future Homes



Task Force. This task force examined how the house building industry can work toward delivering net zero homes by 2050. The initial outcomes of this work can be found at <https://www.futurehomes.org.uk/> with a summary of the Delivery Plan resulting from this work attached to this response.

4. The delivery plan published by the task force in July outlines the need to operate on a collective basis recognising the need for housebuilders, their supply network and the trades people building homes to successfully transition to the delivery of low carbon homes. In addition, it recognises the need for both national and local government alongside housebuilders to ensure those people buying new homes are confident in the technologies and systems being used. As such the HBF consider a national and standardised approach to improving the energy efficiency of buildings to be the most effective approach in that it balances improvements to building performance with the continued delivery of housing and infrastructure. The HBF considers a universal standard is necessary to allow research and development and supply chains to focus upon responding to agreed national targets, and for training providers to plan their programmes to equip the labour force to meet these new requirements. Importantly, a phased approach to delivering these improvements ensures those people buying new homes are fully aware of the new technologies being used in their homes. It is vital that consumers are confident with the technology being used in their new homes and increase the wider appetite for similar standards to be adopted in the existing stock.
5. The HBF considers it important that Councils recognise that it will take time to ensure that the technology and supply chains required to achieve the significant reductions in emission from new homes required by the Future Homes Standard. There is still considerable work to do to ensure that supply chains are in place to meet demand from the housebuilding industry as well as having a workforce with the technical skills in place to deliver and maintain systems such as ground and air source heat pumps on a much larger scale. It is important that these systems when they are used work to ensure that the public are satisfied with the product and can rely on it to meet their needs.
6. As the Council are aware the Future Homes Standard that the Government are proposing to introduce will ensure that from 2025 new homes will emit 75% fewer emissions than current standards. To deliver further reductions and achieve the national commitment of net zero emissions by 2050 will require the decarbonisation of energy supply at a national level rather than from the Council setting additional requirements for new homes above those set by Government. As such the HBF consider the technical requirements of new homes with regard to energy efficiency and CO2 emissions should be considered nationally through changes to the Building Regulations and different standards should not be set within local plans. Only through a nationally consistent and phased approach to the introduction of the new standards and technologies will the house building industry be able to maintain housing supply, ensure consumer confidence and deliver the required improvements in emissions.

Q4 In your opinion have we raised the right issues about overcoming inequalities in Oxford in this paper and/or the accompanying topic papers?

7. As stated in the consultation Oxford is one of the least affordably place to live in the country with median house prices almost 12 times gross median earnings. Given the constraints on housing supply in the city and the demand for housing this situation is unlikely to change without significant long term increases in supply in and around the city. To some extent this is being addressed in the most recent iterations of the local plans produced by the Oxfordshire Local Planning Authorities. However, in order to limit the worsening affordability of housing in Oxford and deliver more affordable housing will require sustained and increased delivery across Oxfordshire.
8. The level of delivery across Oxfordshire will be established through the Oxfordshire Plan 2050. The latest consultation document published at the end of July sets out three potential growth options the lowest delivering needs more or less in line the standard method with an additional 27,300 homes across the county and the highest based on the local industrial strategy which would deliver an additional 78,500 homes be 2050. Whilst the HBF will respond on these overarching figures in its response to the joint spatial strategy the lowest growth scenario must be a concern to the City Council.
9. The lowest housing growth option would potentially not require any more homes than are currently expected to be delivered across Oxfordshire as whole between 2020 and 2040. Whilst this may seem an attractive proposition to some of the Oxfordshire LPAs it will be unlikely to support the City Council or the county in addressing the inequalities within its housing markets or support the drive for transformational economic growth. It will therefore be important that Oxford City Council pushes for the transformational level of growth set out in the joint spatial plan that will be required to address its concerns.
10. With regard to meeting the variety of housing needs in Oxford the Council rightly recognise the need to ensure that the need of older people will be a priority. In order to meet these needs the HBF would suggest that the Council have a policy that sets out what those needs are and allocates a supply of suitable sites that will meet those needs in full. The HBF recognise that there is not a requirement in national policy to set out the level of housing needs for older people in a policy. However, we consider it that in order for such a policy to be truly effective and therefore sound the need for such accommodation should be identified in the local plan in order to support decision makers. In particular it will help decision makers to assess whether there is a shortfall in supply to meet the needs of older people to ensure a more positive approach to decision making should shortfalls be identified. Such an approach would also ensure transparency and support effective monitoring and review of the Council's approach to older peoples housing.

11. The Council recognise that 25% of all affordable homes will need to be first homes. The Council will need to consider how the implementation of First Homes impact on the nature of the tenure split for affordable housing in the city and the consequential impact on viability. In relation to viability testing of First Homes it will be necessary for the Council's viability study to recognise that whilst these homes are considered an affordable tenure they are sold on the open market. The developer therefore takes all the risk in developing and selling these homes and should expect a 20% profit from their sale rather than the 6% profit that is expected for the delivery of affordable homes where the developer is effectively being contracted by the RSL to supply these units.
12. PPG outlines that there will be circumstances where a unit may remain unsold, and that provision can be made in S106 agreements to remove the title restriction under certain conditions. The Council must set out these conditions to ensure that there is certainty as to when first homes will revert to the developer to be sold on the open market.

Q7 In your opinion have we raised the right issues about the other policy influencers we have highlighted in the paper?

13. Yes. The Council recognise the key importance of Oxford in the Oxfordshire-Cambridge Arc if the levels of growth seen in the past are to be sustained and surpassed. The Council recognises the principal role that Oxford has and will continue to play in the Arc, and it will be essential for this plan and the overarching Oxfordshire Plan 2050 to support this growth. Given the constraints facing Oxford it will be essential that the Council identify how the economic growth expected for the area will be delivered in a sustainable manner - including the need to secure sufficient housing in and around the city to support that growth. Without sufficient housing the Oxford Local Plan, Oxfordshire Joint Strategic Spatial Plan and the Cambridge-Oxford Arc will not be able to sustainably support the economic growth expected in future.

Q8 In your opinion have we correctly summarised the issues and priorities?

14. As set out above a key priority for the Council will be to ensure that the development needs of Oxford are addressed not only in this plan but through effective joint working with their neighbouring authorities. Whilst the City Council will need to make the most effective use of the land available to it is clear that the constraints facing the city are such that its needs cannot be met without co-operation from the rest of Oxfordshire.

Conclusion

15. We hope these representations are of assistance in taking the plan forward. Should you require any further clarification on the issues raised in our comments please contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Behrendt', with a stylized flourish at the end.

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