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18/08/2017

Dear Sir/ Madam

# Response by the House Builders Federation to the Oxford Local Plan Preferred Options

Thank you for consulting the Home Builders Federation (HBF) on the Oxford Local Plan Preferred Options. 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.

# **Duty to Co-operate**

Oxford is clearly constrained by its boundaries and geography which will limit the degree to which it can contribute to meeting the housing needs of the Housing Market Area, a substantial proportion of which are generated by Oxford. However, it is clear that there has been significant co-operation between the authorities in Oxfordshire to consider the issue of housing delivery and how the needs of the Housing Market Area (HMA) can be delivered. There is a clear mechanism through the Oxfordshire Growth Board for on-going co-operation and we support the way the Council and its neighbouring authorities have worked together to address the strategic issue of meeting housing needs.

## **Housing target**

We agree with the Council's preferred option to set a capacity based target that seeks to meet as much of the City's housing needs as possible and to continue the joint working to support delivery beyond the Council's borders. However, the Council must seek to boost supply and not place self-imposed constraints on development within the City. The NPPF is clear in paragraph 14 that delivery should only be restricted where specific policies in the framework indicate that this is appropriate. As such we would urge the Council to set itself a challenging target that will ensure it seeks to maximise development across the city. We would also suggest that the Council states in the policy that it is a minimum requirement.

## Affordable housing

We recognise that the key driver of housing need within Oxford is its affordability. This is clearly a factor when setting such a high target for affordable housing delivery in the

city. However, the Council states that the value of land has been over-inflated in the City due to hope value rather than other cost elements. We would challenge this statement and suggest that high land values are a result of the scarcity of developable sites being brought forward not only in Oxford but across the County. Competition for developable sites drives up land values as a result of local authorities constraining its supply. We are therefore very concerned that the additional costs being placed on the development industry through S106 contributions are being based on misconceptions about "hope value". We would therefore argue it is not for the development industry to subsidise the failure of local planning authorities across the County to allocate sufficient sites to meet the needs of their growing populations. The high demand for housing should have seen more sites allocated for development in previous years to ensure as far as possible supply can keep pace with demand.

With regard to option 13 we would suggest the use of a sliding scale of contributions based on the size as set out in option B. This is an approach used by many local planning authorities and recognises that viability will differ depending on the size of the development being proposed. It would seem that the only reason for this approach not being supported is that it is a less transparent process and gives less certainty to developers and communities. We fail to see how this approach is less transparent or more uncertain than the preferred option. If the policy clearly sets out the proportion of each affordable housing expected on different size of development that is no different to setting it at a single percentage for all development. Such an approach ensures that differences in viability can be considered in the policy and potentially allow more sites to contribute and lead to fewer negotiations with regard to the impact on viability. As such the process could improve transparency over the preferred option.

Any option taken for must follow Planning Practice Guidance in relation to the thresholds for affordable housing delivery. Any threshold that requires small sites for 10 or fewer units which deliver no more than 1000sqm of residential floor space to pay contributions toward affordable housing cannot be considered to be sound as they would be inconsistent with national policy.

#### Student accommodation

Whilst meeting the needs of the growing student population in Oxford is essential it must not be to the detriment of general housing provision. It is essential that appropriate sites are allocated for student accommodation and that such development contributes to the delivery of the required infrastructure and affordable housing provision that support both general and student populations in the City. We would therefore support the preferred option set out in Option 15 to require financial contributions towards affordable housing from student accommodation developments. Such developments compete for land that could accommodate homes and this should be recognised through planning obligations. Without such contributions there would be a clear market distortion with additional costs being placed on housing developers making them less able to compete for land by creating an uneven playing field. It is also essential that the Council does not include the delivery of student accommodation, which are essentially just bed spaces, as part of the delivery of new homes. They are very different markets and as such should be monitored separately, especially in Oxford which has such a

high concentration of students in conjunction with a large amount of general housing needs that cannot be met.

## **Green Belt**

Given the limited amount of developable land within the City it is important that the Council considers the release of Green Belt in order to deliver more housing. There are clearly sites that are likely to have a limited impact on the purposes of Green Belt but will provide a vital source of developable land. As such we support the Council's decision to review Green Belt boundaries and allocate sites for housing where appropriate. However, we believe that the Council should consider whether there are exceptional circumstances that may support the release of additional sites in Green Belt where there would not be a high impact on the purposes of Green Belt. The significant level of unmet needs arising in the City, the high level of housing needs and the unique pressures arising from having a world renowned university and large student population could be considered exceptional and support further Green Belt release in addition to those already identified.

## **Optional Standards**

The Council must ensure its use of optional standards for space and accessibility are adequately justified. These requirements place additional costs on development and must be included as part of the viability assessment, especially considering the high proportion of affordable housing contributions the council is proposing. In particular the Council need to have a very considered approach to the use of the higher M4(3) accessibility standard which has a significant impact on the build costs of a new property.

## **Energy efficient design**

The NPPF has established that when setting out local requirements for a building's sustainability it must do so in a way that is consistent with Government policy and by adopting nationally described standards. The Government have set out the optional standards with regard to building design which are set out in PPG and the Council should not look to move beyond these standards. It is evident from ministerial statements that the Government intend to ensure improvements to the sustainability of building design through Building Regulations and additional standards outside of the optional standards should not be introduced in Local Plans.

We trust that these issues will be considered carefully by the Council and look forward to further consultation on the next iteration of the Local Plan. I would also like to be placed on your consultee database and receive updates on any further consultations with regard to the emerging Local Plan.

Yours faithfully

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