

Housing Statement.

Land at Bloxham Road, Banbury.

On behalf of Barwood Development Securities Ltd.

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1. INTRODUCTION

- 1.1. The following Housing Statement considers a number of issues relevant to the need for housing in Cherwell District insofar as this will be relevant to the determination of the current planning application.

2. THE POLICY CONTEXT

National Policy

A five-year housing land supply (5YLS)

- 2.1. Paragraph 74 of the NPPF requires that LPAs identify a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing (a 5YLS) against their housing requirement where this is less than five years old, or against the minimum local housing need of the standard methodology where the housing requirement is more than five years old. Footnote 39 identifies that where the housing requirement has been reviewed and found not to require updating then the 5YLS should continue to be assessed against the adopted housing requirement.

The presumption in favour of sustainable development

- 2.2. Where an LPA is unable to demonstrate a 5YLS, footnote 8 and paragraph 11d identify that the most important policies for determining a residential planning application are considered to be out of date, and that planning permission should be granted unless either of the criteria of paragraph 11d are met.
- 2.3. However, relevant policies can also be rendered out of date for other reasons, including potentially because the application of those policies have proved to be insufficient to deliver the objectives of the Development Plan, or where these are inconsistent with national policy, including by not providing for sustainable development, meeting housing needs or supporting economic growth.

Local Policy

The Cherwell Local Plan Part 1

- 2.4. The Council adopted the Cherwell Local Plan Part 1 in December 2016.
- 2.5. Policy BSC1 identifies a housing requirement of 22,840 homes over the period 2011–31 at an average rate of 1,142dpa. This was based on the 2014 Strategic Housing Market Assessment which identified that this level of housing was needed to support economic growth and to respond to affordable housing needs.
- 2.6. The housing requirement is therefore essential to support the Vision of the Local Plan Part 1 to grow the economy and to provide a range and choice of market and affordable housing, and to support Strategic Objectives 1, 2, 3, 7, 8, and 9.

The Cherwell Local Plan Part 1 Partial Review

- 2.7. The Council then adopted a complementary Partial Review to address the unmet needs of Oxford City in September 2020. Policy PR1 identifies an additional housing requirement for 4,400 homes by 2031 to address this unmet need and numerous sites are allocated to meet this need.

- 2.8. Policy PR12a identifies that the housing land supply that responds to the unmet needs of Oxford City will be calculated separately from the housing land supply that responds to the housing requirement of the Part 1 plan.

The CaMkOx Corridor

- 2.9. The Government has recognised the growth potential of the Cambridge–Milton Keynes–Oxford corridor and the National Infrastructure Commission has identified that to realise the economic potential of this area, the rate of housebuilding will need to double.
- 2.10. The National Infrastructure Commission continued to progress plans to realise this potential, including through the delivery of the Oxfordshire Growth Deal. However, progress on the corridor appears to have stalled.

The Oxfordshire Growth Deal

- 2.11. In this context, the Government and the Councils in Oxfordshire agreed a Growth Deal, which committed to the delivery of 100,000 homes by 2031 and to prepare a Growth Plan to 2050 in return for £215M worth of funding towards infrastructure in the County. The Growth Deal included a clawback mechanism if the relevant milestones were not met.
- 2.12. A significant proportion (if not all) of the funding has been secured and much of this spent on infrastructure within Oxfordshire, such that 100,000 homes must now be delivered by 2031 or if not, the Councils will be liable to repay the funding received (including that which has been spent) to the Government¹.
- 2.13. In order to achieve this level of delivery, the adopted housing requirement and those in the other parts of Oxfordshire will need to be met.

The Housing and Economic Needs Assessment, December 2022

- 2.14. The Council commissioned a new Housing and Economic Needs Assessment (HENA) which was published in December 2022. This assesses the current need for housing and affordable housing.
- 2.15. The HENA identifies that the standard method fails to take account of the greater levels of population growth which have actually occurred, and that it fails to address the labour supply issue with the result that in order to support economic growth the standard method would require that 23,000 people in-commute to Oxfordshire, and that it would not assist with affordability. It concludes in paragraph 7.7.6 that this would be unsustainable and that as such the housing need is higher.
- 2.16. It proceeds to assess the need for housing on a number of different scenarios, which respectively identify a need for 965, 1,034 or 1,277 homes per annum in Table 7.10.

¹ This may be the case in any event owing to the subsequent abandonment of the Oxfordshire Growth Plan.

- 2.17. The HENA also identifies that there is a need for 660 social/affordable rental homes per annum² and 193 affordable homes for ownership per annum³ providing a total need for 853 affordable homes per annum in Cherwell.
- 2.18. The HENA therefore suggests that the overall need for housing is broadly comparable to that which was responded to by the adopted Local Plan but the need for affordable housing has increased acutely.

The Regulation 10(a) Review

- 2.19. In December 2020, the Council reviewed the policies of the Cherwell Local Plan Part 1 in accordance with Regulation 10(a) of the Town and Country Planning Act. This review was then approved by Cabinet in January 2021.
- 2.20. This review concluded that the housing requirement of Policy BSC 1 was generally consistent with the NPPF, and local circumstances did not indicate that the policy needed to be updated such that this should continue to be used to assess the 5YLS in accordance with footnote 39 of the NPPF.
- 2.21. As set out in the Regulation 10(a) Review, this conclusion was reached in full awareness of the fact that the adopted housing requirement was significantly greater than the minimum need identified by the standard method, but given that the adopted housing requirement reflects the latest cooperative assessment of housing need which was found sound in the Partial Review and other Local Plans across Oxfordshire (in light of the standard method), the adopted housing requirement remained appropriate and did not need updating.
- 2.22. However, the Council then undertook another Regulation 10(a) review which was approved by Executive Committee in January 2021. This review took account of the HENA of December 2022.
- 2.23. In light of this the Council resolved that the adopted Local Plan is in need of review, which appears surprising given that the HENA suggests that the need for housing is broadly of the same magnitude as the adopted housing requirement and that this is likely to necessitate the repayment of significant amounts of funding to Government. Nevertheless, the Council has engaged in a Regulation 10(a) review and found that the policies of the Development Plan need to be updated.
- 2.24. The effect of this is that, rather anomalously, the 5YLS is to be assessed against the minimum local housing need of the standard method for 742 homes per annum rather than the full need for between 965 and 1,277 homes per annum identified by the latest evidence or against the latest tested assessment of need reflected in the adopted housing requirement for 1,140 homes per annum.
- 2.25. The consequence of this is that the 5YLS assessed against the standard method provides absolutely no gauge of:

² In Table 9.11.

³ In Table 9.21.



- the extent to which policies are effective in meeting housing needs, or
- the extent to which policies have been effective in providing for the objectives of the statutory Development Plan, or
- the extent to which policies have been effective in supporting economic growth, or
- the extent to which policies have been effective in delivering a sufficient supply to address affordable housing needs, or
- of the need for additional housing.

2.26. It therefore remains appropriate to consider these factors in addition to the 5YLS assessment against the standard method required by paragraph 74 of the NPPF.

3. THE NEED FOR HOUSING

- 3.1. The latest published 5YLS position of the Council is set out in the Housing Land Supply Statement of February 2023 (HLSS) which identifies a **5.4 year land supply (yIs) with a surplus of 349 homes** against the minimum local housing need of the standard method over the period 2022–27.
- 3.2. The equivalent figures are calculated against the various calculations of the full objectively assessed need and the adopted housing requirement in Table 3.1 below.

Table 3.1 – the 5YLS against various assessments of need based on the supply of the LPA

	Adopted housing requirement	Minimum local housing need of the standard method	Census adjusted scenario (of HENA)	CE Baseline scenario (of HENA)	Econ Dev't Led scenario (of HENA)
Annual need/residual requirement	1,458	742	1,034	965	1,277
Five-year requirement excluding buffer	7,291	3,710	5,170	4,825	6,385
Five-year requirement including 5% buffer	7,656	3,896	5,429	5,066	6,704
Deliverable supply of the LPA	4,244	4,244	4,244	4,244	4,244
Five-year land supply	2.77	5.45	3.91	4.19	3.17
Surplus/shortfall	-3,412	349	-1,185	-822	-2,460

- 3.3. It is therefore clear that based on the supply identified by the Council, whilst there is a 5YLS for the purposes of paragraph 74, there is a grossly insufficient supply over the five-year period to fulfil the objectives of the Development Plan⁴, to support economic growth, or to meet housing needs on the basis of any assessment of the actual (rather than minimum) need for housing.
- 3.4. Indeed, there will be somewhere between 822 and 3,412 too few homes to meet housing needs over the next five years, even on the basis of the deliverable supply identified by the Council. Accordingly, the provision of housing should be afforded substantial weight in the planning balance.

⁴ As required to support economic growth and provide for affordable housing needs.



- 3.5. Furthermore, it is clear that the policies of the Development Plan have been insufficient to meet the housing and economic needs of the present with compromising the ability of future generations to meet their own needs, as would be required to provide for sustainable development according to paragraph 7 of the NPPF. Similarly, the application of the policies of the Development Plan have provided a grossly insufficient supply of housing to build a strong, responsive and competitive economy as required by paragraph 8a of the NPPF, or to provide a sufficient number and range of homes to meet the needs of present and future generations as required by paragraph 8b of the NPPF, or to meet housing and economic needs as required by paragraphs 11, 35, 60, 61, 62, 81, and 82 of the NPPF.
- 3.6. Given that the policies of the Development Plan which constrain the delivery of much needed housing demonstrably do not provide for sustainable development by a significant margin, the policies are not consistent with national policy, serve to frustrate the purpose of the planning system and are therefore out-of-date regardless of the 5YLS position.

4. THE NEED FOR AFFORDABLE HOUSING

- 4.1. Table 9.5 of the HENA identifies that at present there are 4,163 households in unsuitable housing including 682 homeless or concealed households and 1,896 households in overcrowded housing in Cherwell. Of these, the HENA identifies that 1,277 households are unable to afford market housing in Table 9.7.
- 4.2. In order to address this pre-existing need and newly arising needs, the HENA identifies a need for 853 affordable homes per annum. This compares with the need for 264 affordable homes per annum in Cherwell identified in Table 55 of the 2014 Strategic Housing Market Assessment. It is therefore apparent that the need for affordable housing has increased substantially over the last 9 years.
- 4.3. There is no prospect of a sufficient number of affordable homes being delivered to meet needs unless of course additional planning permissions are granted. Indeed, over the previous 11 years between 113 and 510 affordable homes per annum have been delivered⁵, with an average of 262 per annum as compared to the current need for 853 per annum.
- 4.4. Policy BSC 3 seeks 30% or 35% of housing on sites of 11 or more dwellings to be provided as affordable housing. Based on the supply of 4,244 homes identified by the Council over the next five years, it would be expected that materially less than between 1,273 and 1,485 affordable homes will be delivered over the next five years as compared to the need for 4,265 (=853x5). This would represent a shortfall of at least 2,780 to 2,992 affordable homes by 2027.
- 4.5. It is therefore clear that there is a pressing need for affordable housing in addition to that which will be addressed by existing commitments, such that the provision of affordable housing should be afforded substantial weight in the planning balance.

⁵ As set out in Table 16 of the Annual Monitoring Report 2022.

5. THE 5YLS POSITION

- 5.1. Pegasus Group has not been instructed to review the 5YLS position at present, given that as set out above it is clear that relevant policies of the Development Plan are out-of-date in any event and that there is a pressing need for both housing and affordable housing even on the basis of the supply identified by the Council.
- 5.2. However, it is immediately apparent from the HLSS that the supply has not been assessed in accordance with national policy including because:
- no clear evidence is provided in support of a number of Category B sites such that the NPPF identifies that these should not be considered deliverable,
 - planning permission has expired on a number of sites such that the NPPF identifies that these should no longer be considered deliverable,
 - the capacity of some sites has been overstated,
 - numerous sites post-date the base-date such that they should not be included in the deliverable supply as set out in every appeal decision which has engaged in this matter, of which there are very many, and
 - the trajectories for some sites are now unrealistic.
- 5.3. Once the supply is assessed in accordance with national policy, the Council is in reality unable to demonstrate a 5YLS even against the minimum local housing need, such that paragraph 11d of the NPPF would be engaged for yet another reason.



6. CONCLUSIONS

- 6.1. The Council has acknowledged that the housing requirement and thereby the policies which support this housing requirement are no longer up-to-date and that these need to be updated.
- 6.2. It is also evident that the policies within the adopted Development Plan have been insufficient to meet housing needs, support economic growth, and address affordable housing needs as is required to provide for sustainable development, or to support the Vision of the Development Plan. Accordingly, those policies which have constrained the delivery of much needed housing are out-of-date regardless of any other consideration.
- 6.3. Furthermore, owing to the fact that the policies have proved to be insufficient to provide a sufficient supply to meet housing needs, there is a pressing need for additional housing to be weighed in the planning balance.
- 6.4. Similarly, the evidence of the Council demonstrates that there is a pressing need for additional affordable housing to be weighed in the planning balance.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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