



Planning for Real **NEED** not Speculator **GREED** in Oxfordshire

NINGO response to Oxfordshire Growth Board consultation on the 3 Year Housing Land Supply, July 2018

Question 1 - Do you agree with the proposed temporary 3-year housing supply requirement for Oxfordshire, which will end on the adoption of the Joint Statutory Spatial Plan (planned by 31 March 2021, subject to examination)?

NO.

Question 2 - Do you have any other comments on this consultation?

Introduction

Need Not Greed Oxfordshire is a coalition of 35 local groups of people covering many areas throughout the County. We have an interest in planning, housing and other developments.

NINGO has serious concerns about the overall approach to development in Oxfordshire and this proposal.

NINGO continues to object to both the Housing Land Supply rules and the proposed Housing Delivery Test¹ (HDT). They allow central government to ride roughshod

¹ The HDT percentage = Total net homes delivered over a 3 year period / Total net homes required over a 3 year period

over local democratic decisions and permit inappropriate developments in inappropriate places throughout Oxfordshire and the rest of England.

The fact that Oxfordshire now needs more relaxed rules is a clear indication that the rules are inflexible, punitive and undemocratic. They do not encourage good local democratic planning as envisaged by the provisional comments from the Raynsford Review.

Summary

In general, short-term protection seems very necessary given the excessively high target of 100,000 houses that has been set for Oxfordshire.

But is Oxfordshire accepting short-term protection that could make things far worse in future? Will low delivery of housing in the first three years produce a 'shortfall' figure and a low HDT percentage, compounded by 20% buffering that makes PIFOSD and continuing ministerial interference inevitable?

What would the point of an Oxfordshire wide JSSP plan be if that happened? The JSSP and five local plans would afford us no control, influence or protection at all.

In short, NNGO does not want short term protection at the cost of long-term pain.

If we are clearly going to struggle to meet government targets, perhaps now is the time to make that case to the government? Perhaps now is the time to rethink the excessive growth target for Oxfordshire? The government should then reconsider the position of Oxfordshire and other areas, the evidence from Letwin and Raynsford and rethink their whole approach.

What controls the supply of housing?

The government's focus on ensuring that authorities have a five-year supply of land available and the new focus on the HDT implies that local planning controls local construction rates. In practice this is not the case, as the first stage of the Letwin 'build out rate' review² says. This suggests that:

- There is a '*web of commercial and industrial constraints*' that hold back development. Seven constraints are listed, including limited availability of skilled labour, limited supplies of building materials and so forth. Of these, six are constraints that local authorities can do little about, but they will get the

² Letter dated 9 March 2018 to Phillip Hammond (Chancellor) and Said Javid (Sec of State for HC&LG).

blame if building rates are low as a result. This is obviously completely unfair, as we have pointed out in other submissions.

- Builders with large sites limit construction to an ‘*absorption rate*’ which is set to avoid ‘*materially disturbing the market price*’. In other words, Letwin is starting to expose the market failure to supply needs that has driven up house prices to the point of unaffordability. Profitability and windfall gains to landowners have been prioritised. Local authorities are held responsible for this, but they have very limited, if any, means of intervention. Just zoning more and more land will not sort out the affordability problem!

The findings by the Letwin review support arguments that NNGO have advanced in comments on other issues. The seven constraints on builders, and builders’ focus on maintaining current market prices identified by Sir Oliver Letwin’s review, acting together, will prevent the resolution of the affordable housing crisis. The effects are compounded by viability reviews, which are commonly used to avoid building the agreed and necessary number of affordable houses on particular sites. Local authority planning should not therefore be held responsible for the resulting failure of the market to respond to affordability problems in their areas.

The recently released Raynsford Review³ comments that:

‘an up-to-date and deliverable fiveyear land supply is not within the powers of local planning authorities since they do not control the build-out rates of private sector companies. The evidence submitted from those in the public sector reinforced a view that in most places, most of the time, a development plan can be challenged and overturned over the five-year land supply.’

So NNGO concludes that Market forces are a much stronger influence on house building rates than the presence, absence or quality of an all too easily ignored local plan. Market forces combined with reduction in the role of local planning, have produced the affordability crisis and we do not think they can solve it.

Problems with the existing high rate of growth in Oxfordshire

Current planning for Oxfordshire is based on a very high growth forecast and this leads to zoning vast areas of the County for development. In addition, an ‘Expressway’ is planned which might add even more pressure. One key risk is that the growth may not materialise. If so, the extremely penal approach adopted by central government for areas that don’t meet the targets will open up even more inappropriate areas for development. Risks such as ‘Brexit’, ‘Trump’, automation, the development of a low wage Gig economy and drastic changes in the retailing sector have been recent added unexpected developments. What else can possibly go wrong by 2031?

The proposal to reduce the housing land supply required from five years to three reduces this risk, but only for a few years until the new Joint Statutory Spatial Plan

³ Planning 2020, Interim Report of the Raynsford Review of Planning in England, 15 May 2018, p38.

(JSSP) is in place. The proposal to delay application of the 'bespoke' Housing Delivery Test (HDT) for three years after the submission of the JSSP also gives us similar concerns.

Also, we are concerned about the complete lack of justification for saying that a three-year housing land supply figure will be sufficient to avoid government interference in the local planning process. And we have similar concerns about how the transition back to a five-year target will work.

Other key risks are that:

- Development on this scale will completely change the nature of Oxfordshire and damage its attractive combination of rural environments and separate urban settlements.
- Development will only be patchy, perhaps with building starting on many sites but only completing them very slowly. So, local people will lose control of where and when development occurs.
- It is likely that the existing infrastructure, which is already worn and inadequate in far too many places, will not be sufficiently developed to cope with the new traffic and demands of an increasing population. Possible future shortage of water is just one of the issues that have been raised.

Why is the proposed three-year land supply adequate?

The Growth Board now proposes that the requirement for a five-year land supply is replaced with a three-year requirement. This will last until the JSSP is adopted (currently this is expected to be 31 March 2021).

NNGO has several concerns about the deal offered and the woolly proposal for a 'bespoke deal' after which the same old draconian penalties will be imposed by an indifferent central government, undermining any local plans and local democracy.

Our specific comments on the three-year land supply proposals are:

- Where is the evidence that reducing the land supply requirement from five to three years from commencement of the Section 28 process to the delivery of the Joint Statutory Spatial Plan (JSSP) is sufficient? There are no past or current figures given for any of the five districts. We know that there was a five-year supply in the Vale for the last year, but will that continue and what about the other districts? What are the land-supply forecasts for the next few years? What about South Oxfordshire's problems with its plan timetable and the clearly inappropriate developments at Chalgrove and Culham? Is Oxford City's local plan on time?

- Where is the evidence that even a three-year target could be met by all districts once the JSSP is in place? Do all five districts have a very good chance of meeting the five-year target when it is reimposed?
- Will the penal 'shortfall' and 'buffers'⁴ be applied to the five-year supply calculations as soon as the JSSP is in place? They will be calculated based on performance in the next three years 2018-2021 – which may well not meet the targets.
- NNGO is aware that if an area is consistently 'underdelivering' on its target then as the end of the plan period approaches, an impossibly large amount of shortfall can accumulate and this is amplified by the 20% buffer requirements. This can make it effectively impossible for the area to avoid the Presumption in favour of 'sustainable' development (PIFOSD) penalty. This would then mean that almost any development is allowed, however unsuitable or intrusive, and disregarding any normal definition of the word 'sustainable' can be approved by the Minister.

Will a bespoke Housing Delivery Test be sufficient?

In addition to the deal on five-year supply, the Growth Board now proposes a bespoke deal on the HDT for 3 years following submission of the JSSP. The government is planning to set targets for the HDT. PIFOSD will be imposed if the HDT percentage for⁵:

- a) November 2018 indicate that delivery was below 25% of housing required over the previous three years;
- b) November 2019 indicate that delivery was below 45% of housing required over the previous three years;
- c) November 2020 and in subsequent years indicate that delivery was below 75% of housing required over the previous three years.

No deal has been reported for Oxfordshire yet, but this will be the subject of further consultation.

NNGO's concerns are that:

- Where is the evidence that there is no need to get a deal to amend the backward looking HDT until after submission of the JSSP? Should the HDT deal start now - at the same time as that for the five-year land supply?

⁴ The 'buffer' is always at least 5%, rises to 10% where there is an annual position statement or recently adopted plan, and 20% if the HDT is less than 85% from November 2018. From National Planning Policy Framework, Draft Text for Consultation, March 2018. Para 74 and footnote 29

⁵ From National Planning Policy Framework, Draft Text for Consultation, March 2018. Para 75, footnote 30 and Annex 1.

- Where is the evidence that a bespoke deal starting once the JSSP is in place will be sufficient to avoid any further difficulties in the near future with the excessively high locally imposed growth target? When will that target be properly reviewed?
- Should the bespoke deal run on for more than 3 years or indefinitely?
- And finally, have all the interactions between the five-year land supply rules and the HDT been considered for Oxfordshire and are all risks covered by these proposals?

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