



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

## **Need Not Greed Oxfordshire (NNGO) response to the Consultation on 'Planning for the right homes in the right places'**

### **Key concerns & recommendations**

#### **Summary**

NNGO has always argued that the current housing targets (5,000 dwellings per annum) for Oxfordshire are too high, based on flawed analysis and ineffective in dealing with the issue of affordability. They are based on levels of economic growth and investment that have not been subject to public consultation and, with an indeterminate Brexit looming, are now even less credible.

In this respect, the new methodology is welcome, as its implementation would theoretically see a 32% reduction in Oxfordshire housing figures (to 3,415 dwellings per annum).

However, it is still flawed in its fundamental contention that simply building more houses will increase affordability, when the market has consistently failed to deliver on this issue. It still allows for a local uplift in relation to economic growth plans, without setting adequate guidance on public engagement or broader environmental concerns. Finally, it does nothing to take the pressure off the over-heated South-East region or to consider how best to balance regional demands.

#### **1. Zoning a lot of land for housing may meet 'demand' but not 'need'.**

Of the 3,415pa dwellings for Oxfordshire, 1,004 (29%) are added by the 'affordability allowances'. This is less than 1% of the overall Oxfordshire housing market. New housing in Oxfordshire tends to be comparatively more expensive than the existing stock and since developers have an incentive to keep prices high, building lots of large expensive houses seems unlikely to solve affordability issues in Oxfordshire.

Existing targets count any house constructed, whether it meets 'need' or not. In Oxfordshire, many new houses tend to be 3-5 bedroom 'executive homes' - these new

houses tend to meet 'demand' not 'need'. Just zoning a lot of land for new housing will not necessarily be sufficient to improve affordability.

**Changes need to be made to the Government's proposals if affordability is to be addressed. The government should focus on 'need' not 'demand'.**

**2. 71% of the growth in households in Oxfordshire is in households led by persons aged 65 and over.**

This is well above the national figure of 60% and leaves just 701 households with a representative younger than 65.

NNGO questions whether there is justification for using the increase in the number of households with representatives age 65+ to drive 71% or 717 of the increase in the affordability requirement. That is 21% of the total proposed figure of 3,415.

Why should areas with more of an aging issue (like Oxfordshire) be assumed to need more houses to deal with affordability? Whilst affordability is certainly not an issue confined to younger people, our assumption is that it is more critical for those trying to get their first step onto the housing ladder. We would like to see evidence of affordability in relation to age groups tracked back to the housing figures.

**NNGO suggests that a more disaggregated set of calculations, which take account of the aging and affordability issues separately would be fairer and more precise.**

**3. Failure to redistribute growth will put pressure on the South-East region.**

The adjustment for affordability increases housing requirements for areas with high affordability ratios (such as London). The current formula assumes that affordability issues need to be 'solved' in the areas where it is highest. But this may well not be easy or possible, for example if land is NOT available (for example many London Boroughs have little land to spare) and it could lead to growth spilling over into the rest of the South-East region, including Oxfordshire.

**NNGO would like to see some more careful regional planning of growth. The South-East is already busy and overcrowded. Economic development might better be encouraged in other areas such as the Midland Engine, or the Northern Powerhouse.**

**4. The consultation paper suggests that the new figures might be a floor, not a ceiling.**

The consultation paper suggests that opportunities for a local plan to adopt a figure that is less than the new figures will be very limited – as such, NNGO is concerned that the new figures might be a floor, but not a ceiling.

We believe it is inappropriate for a figure set by a local council below the targets for good reasons, to be excessively and 'rigorously tested' by a Planning Inspector. Rigorous testing should not result in the more or less automatic rejection of any figure below the target.

Conversely, NNGO is concerned that the consultation paper suggests that opportunities for a local plan to adopt a figure that is *more* than the new figures will not be restricted. We believe the assumptions used to increase figures should be as rigorously tested as those used to reduce the figures.

**NNGO recommends that there should be strong and clear justification and rigorous testing for any deductions from or additions to the local housing need figures.**

**Any changes to the simple calculated OAN figure:**

- **Should consider land supply in the local authority, in particular, Local Wildlife Sites, Ancient Woodland, the Green Belt, Areas of Outstanding Natural Beauty, Sites of Special Scientific Interest, land likely to flood and so forth;**
- **Must consider availability of infrastructure and the cost of improving it;**
- **Might be justified by a more precise local analysis of local 'need' than the simplistic formula suggests - taking into account the fact that most of the growth in household numbers is driven by an aging population; and**
- **Should be supported by a factual, strong and clear justification, particularly if substantial increases in economic activity are planned and these will add to the housing growth figure. This should fit in with any nearby, regional or national plans. It should also demonstrate that there has been local consultation on this issue and that there is a wide local consensus in support of the additional growth.**



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

Coalition Secretariat, c/o CPRE Oxfordshire, First Floor, 20 High Street, Watlington, Oxon OX49 5PY.

Website: [www.neednotgreedoxon.org.uk](http://www.neednotgreedoxon.org.uk)