



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’

Name of Organisation

Need Not Greed Oxfordshire (NNGO).

Summary of our Organisation

Need not Greed Oxfordshire (NNGO) is a coalition of more than 30 community organisations from across Oxfordshire, that is campaigning for sustainable, democratically-accountable planning. NNGO is deeply concerned about the forced economic growth agenda for Oxfordshire, the underfunding of proposed infrastructure and the plans for an Oxford to Cambridge Expressway/Corridor which could bring even more growth.

Section 1 – Proposed approach to calculating housing needs

Question 1:

1a) do you agree with the proposed standard approach to assessing local housing need? If not, what alternative approach or other factors should be considered?

Yes / No / Not sure don't know

NNGO broadly agrees with the proposed standard approach, which relies heavily on household projections and to some extent on rates of development in existing plans. However, NNGO has five important reservations:

- Zoning a lot of land for housing may meet '**demand**' but not '**need**'. A far more comprehensive approach will be needed to sort out affordability problems.
- The government's household projections for Oxfordshire show that **71%** of the growth is in households whose 'representative' is a person age 65 and over. Oxfordshire's 'affordability allowance' is substantially increased by this growth in elderly households, yet affordability is generally more of a problem for younger people. We do not think that current local plans in Oxfordshire will provide appropriate provision to cater for the projected growth in the number of older households.
- We have concerns about the increases expected for several London Boroughs (up to 848% in Greenwich) which may overspill into the surrounding South-East region;
- We are concerned that the new figures might be a minimum requirement or floor. This prevents authorities from considering whether the figures produced by the suggested simplistic calculation are too large for their area. Similarly, the new figures don't seem to put a ceiling on local authorities. NNGO considers that any variations from the figures should be clearly explained, justified having regard to local circumstances, and subject to consultation; and
- Recent figures suggest that population growth will slow down as a result of lower net migration and falling birth rates ('Slowing migration takes 2m off UK population estimate' The Times, 27 October, 2017). The figures should reflect this.

Our more detailed explanations and suggestions for changes are in a separate document.

1b) how can information on local housing need be made more transparent?

NNGO agrees that it should be easy to find out how many homes local areas are planning for. We suggest that DCLG regularly ask for a set of information from all local authorities including this figure and publish this. It would be helpful to have other statistics including the government target overall assessment of need (OAN), actual building rates and the five-year land supply figures. DCLG should publish the overall figures conspicuously on its website.

The other option of just requiring authorities to publish this information 'somewhere' on their websites would make it much more difficult to make comparisons with other areas and understand the overall national picture.

Question 2:

do you agree with the proposal that an assessment of local housing need should be able to be relied upon for a period of two years from the date a plan is submitted?

Yes / No / Not sure don't know

Two years is reasonable as it fits in with the two-yearly updates of the household projections; assuming that cycle continues.

Question 3:

do you agree that we should amend national planning policy so that a sound plan should identify local housing need using a clear and justified method?

Yes / No / Not sure don't know

NNGO has some reservations about the simple approach proposed by this Consultation. It is too simple to suit all areas. So, we have made some suggestions for changing the approach. **We think that the published figures should just be a starting point for local authorities to consider. Authorities would be allowed to set figures which were more, or less than the published figures.**

If an authority changes the figure, the method used should be appropriate, clear and explained. There should be a factual, strong and clear justification. Changes should consider any relevant nearby, regional or national plans. There should be local consultation on any changes and wide local consensus.

Question 4:

do you agree with our approach in circumstances when plan makers deviate from the proposed method, including the level of scrutiny we expect from Planning Inspectors?

Yes / No / Not sure don't know

As explained in response to Question 1a, NNGO consider that the proposed rigorous testing of figures set **below** the targets by the Planning Inspector is inappropriate if it is excessive. If there is to be rigorous testing, it should also be applied to figures above the targets as well.

NNGO also requests a factual, strong and clear justification for **additions** to the figures as explained in the response to Question 3.

NNGO suggests that any changes to the simple calculated OAN figure:

- Should consider land supply in the local authority in particular, where there are environmental constraints such as Local Wildlife Sites, Ancient

Woodland, Green Belt, Areas of Outstanding Natural Beauty, Sites of Special Scientific Interest, areas at risk of flooding and so forth;

- That additions or deductions might be justified by a more precise local analysis of local 'need' or affordability than the simplistic formula suggests. For example, this might consider the fact that most of the growth in household numbers is driven by an aging population; and that
- If substantial increases in economic activity are planned which will add to the housing growth figure, then this should be supported by a factual, strong and clear justification. It should be based on realistic assumptions, including allowing for competition from other areas, rather than being just an aspiration. It must fit in with any relevant 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.

Question 5:

5a) do you agree that the Secretary of State should have discretion to defer the period for using the baseline for some local planning authorities? If so, how best could this be achieved, what minimum requirements should be in place before the Secretary of State may exercise this discretion, and for how long should such deferral be permitted?

Yes / No / Not sure don't know

Deferral is appropriate in some cases. Local authorities should have the option to request a deferral – that is an extension of the deadline, when they are working together with others on a complex plan or when other completely unexpected circumstances occur.

5b) do you consider that authorities that have an adopted joint local plan, or which are covered by an adopted spatial development strategy, should be able to assess their five-year land supply and/or be measured for the purposes of the Housing Delivery Test, across the area as a whole?

Yes / No / Not sure don't know

This seems reasonable and is probably essential for London.

5c) do you consider that authorities that are not able to use the new method for calculating local housing need should be able to use an existing or an emerging local plan figure for housing need for the purposes of calculating five-year land supply and to be measured for the purposes of the Housing Delivery Test?

Yes / No / Not sure don't know

It isn't clear why authorities would not be able to use the new method, so it is difficult to respond to this question. NNGO's view is that if any local authorities had better figures that were above or below the suggested ones, good reasons to use them and local support, they should be able to justify that to local people and the planning inspector. NNGO supports that approach.

Question 6:

do you agree with the proposed transitional arrangements for introducing the standard approach for calculating local housing need?

Yes / No / Not sure don't know

The transitional arrangements seem reasonable. But we urge the Government to publish any revised figures to avoid uncertainty and to ensure consistency as soon as possible.

Section 2 – Statement of Common Ground

Question 7:

7a) do you agree with the proposed administrative arrangements for preparing the statement of common ground?

Yes / No / Not sure don't know

The need for a duty to cooperate implies that local authorities are not large enough to consider strategic issues. However, reorganising authorities is complex, contested and expensive. **The need for formal cooperation suggests that some sort of wider strategic planning would be necessary, whether that is at the county or regional level.**

NNGO considers that authorities in Oxfordshire are cooperating, but this is not as effective as it should be. There is a mechanism in place called the 'Growth Board' but its name gives away its function as it focuses on rapid speculative growth, ignoring many other issues such as land supply and infrastructure needs. Few people in Oxfordshire will be aware of what the Growth Board does - it is not elected and it lacks a clearly accountable position in the public realm.

The scale of growth suggested for Oxfordshire by the SHMA and the LEP was considerable, broadly doubling the amount of housing needed (to over 5,000pa). The SHMA is a developer's view of how much development there should be. The LEP is an unaccountable collection of individuals that confuses responsibilities and overrides elected local government. The Growth Board seemed to accept huge growth figures and the urbanisation of Oxfordshire without questioning the cumulative impact of this growth on the local environment, including the Oxford Green Belt and our Areas of Outstanding Natural Beauty.

The Growth Board also seem to have ignored the huge costs of necessary infrastructure improvements in a County that – for example - already has excessive

pressure on key roads, notably the A34 and the A40. On top of that are the National Infrastructure Commission proposals for an Expressway/Corridor from Oxford to Cambridge, on an as yet unidentified route. Even more houses would be needed to fund this.

NNGO's assessment of the Growth Board and the LEP gives rise to the question whether 'cooperation' is aimed to meet central government requirements or local ones?

NNGO believes that if no national, county or regional guidance is in place for the area, cooperation should be directed to come up with solutions that are the best for local people and the locality and respect their interests.

NNGO also consider that there is a need for statutory and democratically accountable strategic planning for areas (including counties like Oxfordshire) rather than just 'statements of common ground'.

7b) how do you consider a statement of common ground should be implemented in areas where there is a Mayor with strategic plan-making powers?

Mayors should be subject to the requirement to cooperate.

7c) do you consider there to be a role for directly elected Mayors without strategic plan-making powers, in the production of a statement of common ground?

Yes / No / Not sure don't know

The functions of Mayors vary from area to area and this is confusing. Mayors are seen to be a panacea for reorganising local government management, but they do reduce conflict with the role of elected councillors. As they make decisions about local services, so Mayors should be involved in plan-making and in producing the proposed 'statement of common ground'.

Question 8:

do you agree that the proposed content and timescales for publication of the statement of common ground are appropriate and will support more effective co-operation on strategic cross-boundary planning matters?

Yes / No / Not sure don't know

The timescales to produce the 'statements of common ground' are quite short. The consultation says they should not be a burden on local authorities, but they clearly will be. **With different authorities planning on different timescales and each authority preparing a statement of common ground, it is likely that a complicated web of statements and commitments will result. Would there be checks to ensure that these are consistent?**

Question 9:

9a) do you agree with the proposal to amend the tests of soundness to include that:

9ai) plans should be prepared based on a strategy informed by agreements over the wider area; and

We note government plans to intervene are mentioned (paragraph 86). If that is necessary, it should be to sort out local problems in the best interest of local people and their environment. It should not be used as a means of insinuating central government policies.

9a ii) plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground?

Yes / No / Not sure don't know

As explained in responses to earlier questions, we have concerns about existing cooperation arrangements that are not always as apparent to the public and transparent as they might have been. Cooperation should have clear local benefits. It should not just be another means of checking up by central government.

9b) do you agree to the proposed transitional arrangements for amending the tests of soundness to ensure effective co-operation?

Yes / No / Not sure don't know

Section 3 – Planning for a mix of housing needs**Question 10:**

10a) do you have suggestions on how to streamline the process for identifying the housing need for individual groups and what evidence could be used to help plan to meet the needs of particular groups?

NNGO has noted in our separate response to question 1a that 71% of the growth in households in Oxfordshire could have a 'household representative' who is aged 65 or over. Responding to this demographic change should be a key issue for Oxfordshire.

As the Consultation mentions (paragraph 93) older people include a range of people at different ages with different needs from the fit to the very frail. They need different types of housing – ranging from general market and affordable housing to specialised, purpose-built market and rental accommodation and care homes.

More work on the issue of downsizing to flats or bungalows might be advantageous as this has the potential to free up family sized homes. More of the new build property needs to meet the needs of the elderly.

10b) do you agree that the current definition of older people within the National Planning Policy Framework is still fit-for-purpose?

Yes / No / Not sure don't know

Section 4 – Neighbourhood Planning

Question 11:

11a) should a local plan set out the housing need for designated neighbourhood planning areas and parished areas within the area?

Yes / No / Not sure don't know

11b) do you agree with the proposal for a formula-based approach to apportion housing need to neighbourhood plan bodies in circumstances where the local plan cannot be relied on as a basis for calculating housing need?

Yes / No / Not sure don't know

NNGO considers that a formula based approach should be the starting point for a discussion between the local authority and the parish or town. Variations from that figure would need to be justified and considered as part of the process for adopting the plan.

Towns and parishes should no longer be subject to a rule that to be valid, any neighbourhood plan must be approved by the planning authority as conforming to the 'local plan'. This prevents some towns and parishes from even attempting to formulate a neighbourhood plan.

Section 5 – Proposed approach to Viability Assessment

Question 12:

do you agree that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contributions developers will be expected to make?

Yes / No / Not sure don't know

Question 13:

in reviewing guidance on testing plans and policies for viability, what amendments could be made to improve current practice?

The test of viability should not include inflated land prices paid by the developer in the knowledge that that 'cost' can be used to claim that a site is not viable.

If (as suggested in Question 12) the infrastructure and affordable housing needed is set out in local plans, then developers should be able to predict the costs – like any of the costs they face. They can then factor them into the price they are prepared to pay for the land. Generally, there should be no reason subsequently to refuse to pay for infrastructure, or refuse to provide affordable housing.

It's accepted that there might be some risks of circumstances changing **after** the land purchase or during development and this might make some sites 'unviable'. Who should pick up that risk? The existing system encourages developers to dump that cost and risk onto the locality, by not providing infrastructure or affordable housing. But why should society's goals to have suitable infrastructure and affordable housing be ditched because – let us say – the cost of employing builders or buying bricks and mortar - has increased? These risks should be the responsibility of developers, not members of the public.

Developers might just use the viability opportunity to increase their profits.

This loophole in the system is quite wrong, and should be changed. It is evident that infrastructure is needed for new sites and that we need a better definition of 'affordable housing' and more of it. There is little point in giving local authorities higher new homes targets to sort out affordability problems, but then allowing businesses not to build the agreed numbers of affordable houses.

NNGO considers that developers should only be able to seek a review of a viability assessment if it is very clear that this is due to an increase in the cost of the infrastructure that, since the land last changed hands, was unknown, completely unexpected or unavoidable. Even in these cases, if the site overall is still profitable, no change to contributions or affordable housing figures should be considered.

Profitability should not include inflated land prices paid by the developer counting on citing that as evidence for viability relief. Otherwise 'viability' will drive up land prices.

NNGO also considers that the results of Viability Assessments should be made public. Hiding behind the commercial confidentiality claim when the approach leads to businesses avoiding meeting public needs is just not acceptable.

As an illustration of the current problems, Googling 'affordable housing' problems produces offers to:

- *'reduce affordable housing, S106 and Community Infrastructure Levy contributions;'* and
- *'Renegotiate and reduce affordable housing in schemes with existing S106 Agreements'*

<http://www.affordablehousing106.com/>

This shows there is a business in place to reduce the costs to developers of meeting the requirements of society.

Question 14:

do you agree that where policy requirements have been tested for their viability, the issue should not usually need to be tested again at the planning application stage?

Yes / No / Not sure don't know

NNGO agrees absolutely.

As explained in the response to Question 13, NNGO considers that it is sufficient for developers to have the infrastructure and affordable housing information for any site and to make their business decisions based on that.

NNGO considers that developers should only be able to seek a review of a viability assessment if it is very clear that this is due to an increase in the cost of the infrastructure that, since the land last changed hands, was unknown, completely unexpected or unavoidable. Even in these cases, if the site overall is still profitable, no change to contributions or affordable housing figures should be considered.

Question 15:

how can Government ensure that infrastructure providers, including housing associations, are engaged throughout the process, including in circumstances where a viability assessment may be required?

NNGO accepts the government's arguments in paragraph 114 that housing associations and infrastructure providers can help with costing and valuation. It is important that housing associations should be involved at an early stage in plan-making as they currently provide much of the affordable housing and have detailed local knowledge.

NNGO considers that the need for viability assessments should reduce considerably. NNGO believes that, currently, they just guarantee profits for developers at the public expense.

Question 16:

what factors should we take into account in updating guidance to encourage viability assessments to be simpler, quicker and more transparent, for example through a standardised report or summary format?

NNGO has not seen any viability assessments, as they all appear to be commercial in confidence. Thus, it is difficult to identify good practice and come up with a list of improvements. Given public access in all cases – as we suggest in response to Question 13 – NNGO is sure that we, or others, could advise...

Question 17:

17a) do you agree that local planning authorities should set out in plans how they will monitor and report on planning agreements to help ensure that communities can easily understand what infrastructure and affordable housing has been secured and delivered through developer contributions?

Yes / No / Not sure don't know

As mentioned in paragraph 118, NNGO agrees that monitoring, reporting on and publication of funding secured through section 106 agreements and CIL, and how it is spent would be helpful and is important. Currently, few people who live next to new developments will know that they have funded some improvements to the local environment.

17b) what factors should we take into account in preparing guidance on a standard approach to monitoring and reporting planning obligations?

The guidance should explain what the funding will pay for, when this is expected and whether it has been put in place. NNGO is aware that it can take years for all funding and related projects to be put in place. For example, if other landowners must be involved or there are implementation problems.

17c) how can local planning authorities and applicants work together to better publicise infrastructure and affordable housing secured through new development once development has commenced, or at other stages of the process?

By engaging in good communication and public relations.

Section 6 – Planning Fees**Question 18:**

18a) do you agree that a further 20 per cent fee increase should be applied to those local planning authorities who are delivering the homes their communities need? What should be the criteria to measure this?

Yes / No / Not sure don't know

NNGO considers that it would be difficult to set and monitor the criteria needed to allow some authorities to have a 20% increase in fees. Planning has been subject to a lot of cuts as a result of the government's approach to austerity, so some authorities are under-funded, and all are under pressure.

NNGO considers that all authorities should be allowed to increase fees to cover the costs of good planning services.

NNGO does not think that central government should get so involved in controlling planning application fees.

18b) do you think there are more appropriate circumstances when a local planning authority should be able to charge the further 20 per cent? If so, do you have views on how these circumstances could work in practice?

Yes / No / Not sure don't know

NNGO considers that authorities should have more control over planning fees.

Central government should retain a role to intervene, but only in areas where fees are very low or very high.

18c) should any additional fee increase be applied nationally once all local planning authorities meet the required criteria, or only to individual authorities who meet them?

Apply nationally / Apply to individual authorities / Not sure don't know

As mentioned above, NNGO considers that government should be less involved in setting planning fees and should only get involved in extreme cases. Authorities should have more discretion to set fees to cover their costs.

18d) are there any other issues we should consider in developing a framework for this additional fee increase?

NNGO does not agree with the proposed framework as explained in response to earlier questions.

Section 7 – Other issues

Question 19:

having regard to the measures we have already identified in the housing White Paper, are there any other actions that could increase build out rates?

Yes / No / Not sure don't know

The White Paper proposals seem reasonable, but perhaps not sufficiently focused on sorting out the problem of 'need' and affordability. The national housing infrastructure fund of £2.3Bn seems a lot, but it is not enough to fund even the £8.5Bn gap identified in the Oxfordshire Infrastructure plan (though that does not yet include all possible sources of income).

Clearer and more permanent funding for appropriate infrastructure would help.

NNGO also considers that more focus should be on affordability issues. NNGO includes suggestions in its response to Question 1a.



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