

**HOUSING REQUIREMENT,  
AFFORDABLE HOUSING,  
AND GYPSIES, TRAVELLERS AND  
TRAVELLING SHOWPEOPLE**

**Joint Local Plan**

Pre-submission Publication Version

(Regulation 19)



This topic paper supports the Joint Local Plan 2041.

We have prepared topic papers to present a coordinated view of the evidence that has been considered in drafting the Joint Local Plan 2041. We hope this will make it easier to understand how we have reached our current position.

The topic papers may be revised and published at the submission stage, timetabled for December 2024.

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# Section 1: Introduction and background

- 1.1 This topic paper explains three key policy areas in our emerging Joint Local Plan (JLP); the housing requirement (Policy HOU1), affordable housing (Policy HOU3), and gypsies, travellers and travelling showpeople (Policies HOU10 and HOU11). It sets out how national planning policies and guidance advise us how to develop these policies, what evidence we have gathered to justify our position, and then what alternative options we have considered in reaching our preferred position.
- 1.2 Housing is an important topic for both national and local planning policies. The Government has set an objective of significantly boosting the supply of housing across the country, with an aim of delivering 1.5 million homes over the course of the parliament<sup>1</sup>. The current National Planning Policy Framework (NPPF) (December 2023) supports this objective, and sets a requirement for local plans to assess and plan for the homes needed in their area.
- 1.3 Furthermore, national policies require our plan to assess and plan for the size, type and tenure of housing that different groups need, including (but not limited to) those who require affordable housing, families with children, old people, students, people with disabilities, service families, travellers, people who rent their home, and people who wish to commission or build their own home. Our Joint Housing Needs Assessment (JHNA) has set out the evidence that justifies our policies for these areas (notably, Policies HOU2 to HOU7). A separate Oxfordshire-wide study looks at the needs of the travelling community (policies HOU10 and HOU11).
- 1.4 In both South Oxfordshire and the Vale of White Horse, house prices (both to rent and to buy) are high compared to local incomes. We want the Joint Local Plan to do what it can to address these affordability issues. Objective 8 of the Joint Local Plan sets out that we will:  
  
*“...plan for enough new homes to meet our needs, including significant numbers of homes that are genuinely affordable to rent or buy, and different kinds of homes to meet the needs of our communities, including older people, those with care needs and younger people getting their first home.”*
- 1.5 Our districts are attractive places to live and work with good transport links, National Landscapes (previously known as Areas of Outstanding Natural Beauty), historic market towns and a thriving economy. However, what has made our areas an attractive place to live has also contributed to us becoming one of the least affordable areas to rent or buy a home in the country.

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<sup>1</sup><https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system>

- 1.6 We know that many people face difficulties finding a genuinely affordable home in our districts, with median house prices and monthly rents in both districts being well in excess of national averages. A lack of affordable housing can have a detrimental effect on our economy, environment and the social well-being of our communities. This includes employers finding it harder to recruit and retain staff, increased emissions as people potentially commute further to work here, and the breakdown of social networks as people move away from friends, family and the communities they grew up in.
- 1.7 The paper explains and justifies the key requirements of Policy HOU3 - affordable housing where they relate to the evidence on overall need and need for specific tenure types of affordable housing.
- 1.8 Policy HOU3 is aimed at increasing the supply of lower cost housing through the provision of affordable housing; however, this form of housing is only available for eligible households who have either applied through the councils' Housing Register or who meet the requirements for affordable homeownership. This does not mean that the homes sold on the open market will be more affordable, with the councils having little to no ability to regulate the sale cost of these properties.
- 1.9 This paper also explains the Joint Local Plan's approach to gypsies, travellers, and travelling showpeople (policies HOU10 and HOU11).

# Section 2: National planning policies and guidance

## Overall housing need and requirement

- 2.1 The National Planning Policy Framework (NPPF) states that local plans should determine the minimum number of homes needed in an area. They should do so through undertaking a local housing need assessment, conducted using the Government’s “standard method” for assessing need. In exceptional circumstances, local plans can follow an alternative approach to working out their housing need. If a local planning authority does so, the alternative approach should also reflect current and future demographic trends and market signals<sup>2</sup>.
- 2.2 In addition to assessing their own housing need, each local plan should consider whether their own housing need should include any needs that neighbouring councils cannot meet in their own area<sup>3</sup>.
- 2.3 The Planning Practice Guidance (PPG) gives further advice to local authorities on how to work out their housing need, including how to conduct a standard method assessment, and what can qualify as “exceptional circumstances” for not following the standard method.
- 2.4 As of October 2024, the annual housing need set by the standard method is 579 and 633 homes per year for South Oxfordshire and the Vale of White Horse respectively<sup>4</sup>.
- 2.5 The standard method works by taking Government’s 2014-based household projections for each district over a 10 year period (using the current year, so 2024/25, as the start year). It then adjusts these to take account of the latest affordability ratios for the district. These ratios are a comparison of median workplace-based earnings to local house prices. This uplift however is capped to prevent the housing need figure exceeding 40% of the current housing target in the adopted South Oxfordshire Local Plan and the higher of 40% of the current housing target in the adopted Vale of White Horse Local Plan Part 1, or 40% of the household projections referenced above. For Vale of White Horse, the Local Plan Part 1 figure is the higher figure and so is used. For the top 20 most populated urban areas (which our districts do not fall within), the standard method requires a further 35% uplift of the need. We have set out how the standard method calculation works for our districts in appendix one to this topic paper.

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<sup>2</sup> NPPF, Paragraph 61

<sup>3</sup> NPPF, Paragraph 61

<sup>4</sup> Please note, the standard method figure will change each monitoring year (1 April to 31 March). They will also change based on ONS’ latest median workplace affordability ratios. The figures of 579 and 633 homes per annum use the 2024/25 base date for their input data.

- 2.6 Planning Practice Guidance reiterates that the National Planning Policy Framework expects local plans to following this standard method in assessing their housing need<sup>5</sup>. It continues to emphasise that local plans should only deviate from this in exceptional circumstances, and that a Planning Inspector will scrutinise any alternative approach more closely when they examine the plan<sup>6</sup>.
- 2.7 Planning Practice Guidance (not updated to reflect changes made in the December 2023 NPPF) goes on to set out the exceptional circumstances where it may be appropriate to plan for a housing need that is higher than the standard method. These include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:
- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
  - strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
  - an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;
- 2.8 Once a local plan has established its housing need, it should set out to what extent it can address this need over the plan period. This is known as the “housing requirement”. The NPPF states that the “outcome of the standard method is an advisory starting point for establishing the housing requirement”<sup>7</sup>. This could be higher than the housing need if it includes housing provision for neighbouring areas or reflects growth ambitions linked to economic development or infrastructure investment<sup>8</sup>. Where the final housing requirement is lower than the housing need, that council would be generating “unmet housing need” and will need to discuss how this can be addressed with neighbouring councils through the Duty to Cooperate<sup>9</sup>.
- 2.9 The NPPF states that local plans should include a trajectory showing the expected build rate of housing delivery over the plan period and how this will address the housing requirement set out above. Councils are required to identify a specific supply of specific, deliverable housing sites to provide a minimum of five years’ worth of housing against the housing requirement in the plan at the point that the examination of the local plan concludes<sup>10</sup>.

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<sup>5</sup> Planning Practice Guidance, ‘*Housing and Economic Needs Assessment*’, Paragraph: 002 Reference ID: 2a-002-20190220

<sup>6</sup> Planning Practice Guidance, ‘*Housing and Economic Needs Assessment*’, Paragraph: 003 Reference ID: 2a-003-20190220

<sup>7</sup> NPPF, Paragraph 67

<sup>8</sup> NPPF, Paragraph 67

<sup>9</sup> Planning Practice Guidance, ‘*Plan Making*’, Paragraph: 012 Reference ID: 61-012-20190315

<sup>10</sup> NPPF, Paragraph 69

## Affordable housing need

- 2.10 Within the context of establishing the minimum housing need for the plan area, the NPPF requires that planning policies reflect the size, type and tenure of the housing needed for different groups in the community. This includes, but is not limited to, those who require affordable housing<sup>11</sup>.
- 2.11 National policy states that our local plan policies should set out the type of affordable housing that we require on developments, applying the definition in Annex 2 of the Framework. The NPPF expects this affordable housing to be delivered within the development unless:
- a) the developer can robustly justify providing the council with funds to provide affordable housing elsewhere, in lieu of providing the affordable housing on site (hereafter referred to as a “financial contribution”), or
  - b) an alternative approach to providing affordable housing would contribute to creating mixed and balanced communities<sup>12</sup>.
- 2.12 National policies restrict councils’ ability to secure affordable housing contributions from smaller developments. In most instances councils can only require developers to provide affordable housing (or financial contributions towards providing it) where the development would result in a gain of ten or more new homes. However, where a development is within designated rural areas (as defined in Annex 2 of the NPPF) our planning policies may set out a lower threshold for requesting developers to provide affordable housing (or financial contributions toward it)<sup>13</sup>. South and Vale contain designated rural areas, so the lower thresholds apply in these locations.
- 2.13 Government policies encourage the delivery of affordable home ownership. Consequently, the NPPF requires us to set policies that require a minimum of 10% of affordable homes on major development sites to be available for affordable home ownership. In certain circumstances, councils can make an exemption to this 10% requirement as set out in paragraph 66 of the NPPF.
- 2.14 Planning practice guidance sets out how affordable housing need should be assessed taking account of ‘the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market’<sup>14</sup>.
- 2.15 Guidance on assessing affordable housing need also explains how supply of affordable homes should be taken account of in the assessment of need<sup>15</sup>.

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<sup>11</sup> NPPF, Paragraph 63

<sup>12</sup> NPPF, Paragraph 64

<sup>13</sup> NPPF, Paragraph 65

<sup>14</sup> Planning Practice Guidance, ‘Housing Needs of Different Groups’ Paragraph: 006 Reference ID: 67-006-20190722

<sup>15</sup> . Planning Practice Guidance, ‘Housing Needs of Different Groups’ Paragraph: 007 Reference ID: 67-007-20190722



- 2.16 Further guidance is then provided on how the need figure should be converted into an annual need for affordable housing. The PPG goes on to state how ‘the total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments’<sup>16</sup>.
- 2.17 When setting requirements through the Joint Local Plan for the delivery of affordable housing they ‘should be expressed as a single figure rather than a range’ and ‘different requirements may be set for different types or location of site or types of development’<sup>17</sup>. This is to provide certainty about what is required to be delivered.

### **First Homes**

- 2.18 First Homes are a specific tenure of affordable housing that government introduced in May 2021. First Homes are a specific kind of discounted market sale housing that fall under government’s definition of affordable housing.<sup>18</sup>
- 2.19 The planning practice guidance provides advice on First Homes and how our planning policies should address this form of affordable housing. The minimum national standards to qualify as a First Home are: that the house is sold at a minimum discount of 30% against the market value, the first sale must be at a price no higher than £250,000 and sold to a person who meets the First Homes eligibility criteria<sup>19</sup>.
- 2.20 The PPG on First Homes specifies an aspiration for the delivery of this tenure type; ‘Policies for First Homes should reflect the requirement that a minimum of 25% of all affordable housing units secured through developer contributions should be First Homes’<sup>20</sup>. However, Paragraph 66 of the NPPF states that at least 10% of the total number of homes should be available for affordable home ownership, *“unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.”* First Homes are a form of affordable home ownership.
- 2.21 The guidance confirms local authorities and neighbourhood planning groups ‘can require a higher minimum discount of either 40% or 50% if they can demonstrate a need for this’. However, the ‘minimum discounts should apply to the entire local plan area (except if Neighbourhood Plans are in place in certain areas)’<sup>21</sup>. Meaning that First Homes coming forward in accordance with the Joint Local Plan would be discounted at the same level in both South and Vale, unless a Neighbourhood Plan was in place that sought an alternative level of discount.

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<sup>16</sup> . Planning Practice Guidance, ‘Housing Needs of Different Groups’ Paragraph: 008 Reference ID: 67-008-20190722

<sup>17</sup> Planning Practise Guidance, ‘Viability’ Paragraph: 001 Reference ID: 10-001-20190509

<sup>18</sup> [www.gov.uk/guidance/first-homes](http://www.gov.uk/guidance/first-homes)

<sup>19</sup> Planning Practise Guidance, ‘First Homes’ Paragraph: 002 Reference ID: 70-002-20210524

<sup>20</sup> Planning Practice Guidance, ‘First Homes’ Paragraph: 013 Reference ID: 70-013-20210524

<sup>21</sup> Planning Practice Guidance, ‘First Homes’

## Gypsies, Travellers and Travelling Showpeople

- 2.22 The National Planning Policy Framework states at Paragraph 63 ‘the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies’. It then lists a number of groups including travellers. Footnote 28 to the paragraph states ‘Planning Policy for Traveller Sites sets out how travellers’ housing needs should be assessed for those covered by the definition in Annex 1 of that document’.
- 2.23 The Planning Policy for Traveller Sites (PPTS, December 2023) in paragraph 3 states that ‘the government’s overarching aim is to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community’. It goes on to state under paragraph 4 how government aims to achieve this including by ‘local planning authorities should make their own assessment of need for the purposes of planning’ and ‘ensure that their Local Plan includes fair, realistic and inclusive policies’ and ‘to increase the number of traveller sites in appropriate locations with planning permission, to address under provision and maintain an appropriate level of supply’.
- 2.24 Policy A of the PPTS relates to evidence needed to plan positively and manage development through assembling a robust evidence base necessary to support their approach including through effective engagement and cooperation with travellers and others.
- 2.25 Policy B set out the requirements for plan making and states in paragraph 9 that ‘Local planning authorities should set pitch targets for gypsies and travellers as defined in Annex 1 and plot targets for travelling showpeople as defined in Annex 1 which address the likely permanent and transit site accommodation needs of travellers in their area, working collaboratively with neighbouring local planning authorities’.
- 2.26 In paragraph 10 the PPTS states LPAs should, in producing their Local Plan:
- a) identify and update annually, a supply of specific deliverable sites sufficient to provide 5 years’ worth of sites against their locally set targets
  - b) identify a supply of specific, developable sites, or broad locations for growth, for years 6 to 10 and, where possible, for years 11-15
  - c) consider production of joint development plans that set targets on a cross-authority basis, to provide more flexibility in identifying sites, particularly if a local planning authority has special or strict planning constraints across its area (local planning authorities have a duty to cooperate on planning issues that cross administrative boundaries)
  - d) relate the number of pitches or plots to the circumstances of the specific size and location of the site and the surrounding population’s size and density
  - e) protect local amenity and environment

- 2.27 Where there is no identified need, paragraph 11 confirms that ‘criteria-based policies should be included to provide a basis for decisions in case applications nevertheless come forward. Criteria-based policies should be fair and should facilitate the traditional and nomadic life of travellers while respecting the interests of the settled community.’
- 2.28 Paragraph 13 provides a detailed list of considerations LPAs should consider to ‘ensure that traveller sites are sustainable economically, socially and environmentally’.
- 2.29 The PPTS goes on to cover a number of other specific areas relating to travellers’ sites through: Policy C: Sites in rural areas and the countryside, Policy D: Rural exception sites, Policy E: Traveller sites in Green Belt, Policy F: Mixed planning use traveller sites, Policy G: Major development projects, Policy H: Determining planning applications for traveller sites and Policy I: Implementation.
- 2.30 Annex 1 Glossary of the PPTS defines “gypsies and travellers”, for the purposes of this planning policy. The requirements of the PPTS including those relating to setting pitch/plot targets (paragraph 9) and identifying sufficient supply of sites (paragraph 10) only relate to persons who meet the planning definition, which is as follows:
- ‘Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family’s or dependants’ educational or health needs or old age have ceased to travel temporarily or permanently, but excluding members of an organised group of travelling showpeople or circus people travelling together as such’.*
- 2.31 Paragraph 2 of annex 1 sets out things to consider when determining whether persons are “gypsies and travellers” for the purposes of this planning policy, amongst other relevant matters, consideration should be given to:
- a) whether they previously led a nomadic habit of life
  - b) the reasons for ceasing their nomadic habit of life
  - c) whether there is an intention of living a nomadic habit of life in the future, and if so, how soon and in what circumstances.
- 2.32 Annex 1 also provides the definition of ‘travelling showpeople’ for the purposes of planning policy in paragraph 3 and in paragraph 5 confirms terminology used when referring to pitches on travellers’ sites or plots on travelling showpeople’s yards.

# Section 3: Evidence

## Joint Housing Needs Assessment

3.1 The councils' commissioned Opinion Research Services (ORS) to prepare a Joint Housing Needs Assessment (JHNA) to assess the affordable and specialist housing needs of the districts. We have re-published this JHNA alongside the Regulation 19 publication, it was first published in January 2024 in support of our preferred options consultation. The JHNA includes an overall assessment of household growth using later projections than the standard method is based on, and then builds on this to identify specialist needs for housing in accordance with Paragraph 63 of the NPPF.

### JHNA: Overall housing needs

3.2 As we have set out above, national policies and guidance expect the councils to follow the standard method in assessing the housing need for our districts unless exceptional circumstances justify a departure from this. The JHNA does not provide an alternative assessment of housing need for our districts, but instead uses the most recent 2018-based household projections but as applied to the ONS 2021 mid-year population estimates<sup>22</sup> (instead of the 2014-based household projections used by the standard method) to forecast what the make-up of our population will be by 2041. We need to know the forecast population make up as one of the first steps of identifying the need for specialist housing in the districts.

3.3 This exercise demonstrates that the household growth derived from the latest population projections will easily be accommodated by us planning for the standard method in our districts:

	South Oxfordshire	Vale of White Horse
Total number of new households from the latest household/population growth figures	8,375	9,649
Total standard method housing need	11,580	12,560
Difference	+3,205	+3,011

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<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationestimatesforenglandandwales/mid2022>

- 3.4 The evidence therefore demonstrates that using the standard method as the basis of our housing need will sufficiently accommodate demographic trends within the districts.

## **JHNA: Affordable housing needs**

- 3.5 The assessment considers the need of households that aspire to own their own home but are unable to afford market housing, as well those households unable to afford to own or rent which have formed the longstanding basis for assessing affordable housing need.
- 3.6 The assessment uses a range of primary and secondary data sources to identify the current need for affordable housing and then projects the future need for affordable homes through the plan period to 2041 using local demographic and housing market trends. Chapter 4 of the JHNA sets out the various component parts of the affordable housing need and how it has assessed them.
- 3.7 The assessment's figures 72 and 73 for South Oxfordshire and the Vale of White Horse respectively identify the core need for affordable housing during the plan period based on household projected growth. For South Oxfordshire, this is a need for 1,900 affordable rented homes and 875 First Homes, and for the Vale of White Horse, the figure is 2,663 affordable rented homes and 1,207 First Homes.
- 3.8 The need for affordable homes identified in chapter 4 of the JHNA is then rationalised within the overall standard method based housing need figure in chapter 5. This report assesses this as there is a difference between the projected household growth (8,375 in South Oxfordshire and 9,649 in the Vale of White Horse) and the local housing need figure that forms our housing need (12,100 in South Oxfordshire and 12,560 in the Vale of White Horse)<sup>23</sup>. The affordability adjustment means that the standard method figure is higher than the household projection-based estimate of housing need. This increase will help respond to potential suppression of household formation in past years caused by slower housing delivery.
- 3.9 To establish the different types of affordable homes we need, the assessment establishes demographic projections that align with the number of homes derived from government's standard method calculation. This is to ensure the need for specific types of housing aligns with the total housing need in the districts. The uplift to the identified need results in a higher supply of homes for affordable ownership, but doesn't affect the need for affordable rented tenures. The assessment's figures 80 and 81 identify the uplift to the number of First Homes needed for South Oxfordshire and the Vale of White Horse.

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<sup>23</sup> As we have set out in the summary of the overall housing need in the JHNA above

- 3.10 As well as aligning the number and type of homes needed with the standard method figure, chapter 5 of the JHNA refers to dwellings rather than households that were identified in earlier sections. The study translates the number of households into a number of affordable homes we need to plan for. To do so, it needs to make an allowance for vacant / unoccupied homes. The study applies a vacancy rate to the different types of housing, and adjusts the need figures across the tenure types, to take account of homes that are unoccupied. The effect of this on the number affordable homes is relatively modest with an additional 19 affordable homes needed in South Oxfordshire, and 34 in the Vale of White Horse. The JHNA shows vacancy rates within the need figure for the different tenures in figures 82 and 83. The vacancy rate for affordable homes uses data from Regulator of Social Housing - Statistical Data Return 2019, and is different from the rate used for market housing.
- 3.11 The JHNA then subjects this adjusted affordable housing need to sensitivity testing, to consider the effect on the gross need under different scenarios. Paragraph 5.22 of the report sets out how the JHNA assesses these different outputs, with the effect on net need set out in the following section and shown within figures 86 to 89.
- 3.12 Chapter 5 of the report provides the overall conclusions on housing need. It presents this as a range of figures for the affordable housing need for each district with an upper and lower limit over the plan period. The figures are provided as a range, as the gross need will vary as different factors and policy decision affect the net outputs. These figures are set out within figures 82 to 89 in chapter 5 of the report and are summarised below in table 2.

Table 2: Upper and lower limit of identified Affordable Housing need in South Oxfordshire and Vale of White Horse (figures have been rounded) (for entire plan period)

	South Oxfordshire		Vale of White Horse	
Scenario	Number of Affordable dwellings identified as being needed	As proportion of the overall Local Housing Need (standard method) (11,580)	Number of Affordable dwellings identified as being needed	As proportion of the overall Local Housing Need (standard method) (12,660)
<b>Scenario 1:</b> Unable to afford market rents + effective demand for First Homes at 30% discount	2,332	20%	3,296	26%
<b>Scenario 2:</b> Unable to afford market rents + effective demand for First Homes at 50% discount	2,890	25%	3,953	31%
<b>Scenario 3:</b> Unable to afford market rents including households in receipt of housing benefit in the private sector + effective demand for First Homes at 50% discount	4,657	40%	5,454	43%
<b>Scenario 4:</b> Unable to afford market rents including households in receipt of housing benefit in the private sector + effective demand for First Homes at 50% discount + Others Aspiring to Own, but unable to access First Homes	10,082	87%	11,483	91%

- 3.13 As set out within table 2 above, the JHNA identifies a significant range in affordable housing need in each district ranging between 20% and 87% of the total local housing need in South Oxfordshire and 26% and 91% in Vale of White Horse. The JLP will need to balance the aspiration of addressing this need in full alongside how we meet other aspirations of our plan. This is because it may not be viable for housing sites to deliver 87% to 91% of homes as affordable homes, it would affect our ability to achieve our other objectives (such as higher standards to mitigate the impact of climate change), and it could result in imbalanced new communities with limited amounts of market housing.

### **The need for different types of affordable housing**

- 3.14 As well identifying the overall need for affordable housing, the assessment identifies the tenure type of affordable housing in accordance with government policy that is required to ensure it is affordable to those who need it. As with the overall need for affordable housing, the tenure mix will vary as different factors and policy decisions affect the net outputs. The implications of including different households within the need on the tenure mix are set out within figures 82 to 91 of the JHNA and are summarised below in table 3.
- 3.15 The JHNA uses demographic and local housing market data to identify different household circumstances and determine whether their housing need could be met by the market. Where those households would be unable to afford market housing to rent or buy, the assessment identified the appropriate affordable housing tenure to meet their need in accordance with the Government definition of affordable housing contained within the National Planning Policy Framework.
- 3.16 The Government definition of affordable housing identifies those in need of affordable housing as unable to afford to rent or buy on the market. Specific products are then identified which can be required to address that need. The JHNA used this definition to identify the number of units falling into each tenure that are required in the plan period.



Table 3: Upper and lower limit of identified Affordable Housing need in South Oxfordshire and Vale of White Horse by tenure type and as a proportion of the overall local housing need (figures have been rounded) (total over the plan period)

	Social Rent		Affordable Rent		First Homes		Other affordable ownership options	
	SODC	VOWH	SODC	VOWH	SODC	VOWH	SODC	VOWH
<b>Scenario 1:</b> Unable to afford market rents + effective demand for First Homes at 30% discount	1,735	2,338	177	348	419	610	0	0
<b>Scenario 2:</b> Unable to afford market rents + effective demand for First Homes at 50% discount	1,735	2,338	177	348	977	1,267	0	0
<b>Scenario 3:</b> Unable to afford market rents including households in receipt of housing benefit in the private sector + effective demand for First Homes at 50% discount	3,503	3,840	177	348	977	1,267	0	0
<b>Scenario 4:</b> Unable to afford market rents including households in receipt of housing benefit in the private sector + effective demand for First Homes at 50% discount + Others Aspiring to Own, but unable to access First Homes	3,503	3,840	177	348	977	1,267	5,088	6,029

- 3.17 The tenure types identified through the JHNA are set out below along with a summary of the identified need.

**Social rent:** a form of low-cost rent, which is set using a government formula. They are typically between 50-60% of local market rent and are generally for those on lowest incomes. The JHNA identified a significant core need (scenario 1 & 2) for this tenure type in both districts, with nearly all those unable to afford to rent on the market requiring social rents. The inclusion of households in the private rented sector on housing benefits into the need for affordable housing significantly increases the need for this tenure with an increase from 14% to 29% of the local housing need being needed in South and 19% to 31% in Vale.

**Affordable rent:** a form of discounted rent which is set using a government formula. They must be rented with at least a 20% discount on market rents. The JHNA identified a relatively small need for this form of rent of 1% and 3% respectively in South and Vale, which doesn't change through the different scenarios. The relatively small need for this product reflects the high cost of renting in the plan area compared to local incomes meaning, a 20% discount is not sufficient to address the housing need for many households.

**First Homes:** a form of affordable homeownership where a property is sold at a discount on market value which remains in perpetuity. To qualify as a first home the initial sale value of a property must not exceed £250,000. The JHNA considers the effective demand for this product at varying levels of discount. Unsurprisingly the bigger the discount, the more households are identified as being able to afford this product, with level of need identified in scenario 2 being approximately double that in scenario 1 for both councils.

**Other routes to affordable homeownership:** this includes shared ownership where an initial share of a property (from 10% up to 75%) is purchased and rent is paid on the remaining share and rent to buy where a property is rented for a set period during which time the tenant saves enough for a deposit to purchase the property. Given the significant variables in the cost of these types of products, the process of identifying a figure for the number of households that could realistically afford them is not possible in the same way it is for First Homes. However, the assessment did identify the aspirational demand for ownership of those who could afford to rent but not buy on the market. The aspirational need is added in scenario 4 in table 2 above and result in a potentially significant number of households whose need could potential be addressed through other routes to affordable homeownership if suitable priced alternatives to First Homes could be delivered.

- 3.18 Table 3 above identifies the significant variations in net outputs in the different scenarios, which impact on the tenure mix of affordable housing that is needed.

### **First Homes**

- 3.19 As identified above, the JHNA through the process of identifying tenure mix of affordable housing considers the impact on affordable housing need of varying levels of discount on market value for First Homes. In addition to this, the report also considers the size of properties that could potentially be delivered in the district under the initial maximum price cap of £250,000.
- 3.20 The JHNA identifies the lower quartile house prices by bedroom size for South Oxfordshire (figure 33) and Vale of White Horse (figure 34). The lower quartile price for new builds is used to show entry level house prices, the type of house that would more likely be purchased by a first time buyer.
- 3.21 The size of homes that could potentially be delivered as First Homes is considered in paragraph 4.73 of the JHNA. In South, 4 bedroom properties cannot be delivered as First Homes because even with a 50% discount they are above the price cap. A minimum discount of more than 30% would be required to deliver 4 bedroom properties in the Vale of White Horse and 3 bedroom properties in South Oxfordshire. 1 and 2 bedroom properties in South Oxfordshire and 1, 2 and 3 bedroom properties in Vale of White Horse could be delivered with a 30% discount.
- 3.22 In helping to address the need for affordable homeownership and provide for a range of properties sizes to come forward, the JHNA identifies a case to consider a 50% discount for First Homes.

### **Specialist accommodation for older people**

- 3.23 Figures 107 and 108 of the JHNA show that the modelled need for affordable older person's accommodation with care is around 32% and 38% of the total housing need for older people in South Oxfordshire and the Vale of White Horse respectively.

## **Oxfordshire Gypsy and Traveller Accommodation Assessment (GTAA)**

- 3.24 South Oxfordshire and Vale of White Horse, along with the other Oxfordshire local authorities of Cherwell, Oxford City and West Oxfordshire, decided in autumn 2022 to commission a joint Oxfordshire-wide Gypsy and Traveller Accommodation Assessment (GTAA). An Oxfordshire-wide GTAA was expected to be completed as part of the work on the Oxfordshire Plan, however when the decision was jointly made to cease working on the Oxfordshire Plan, the study had not been progressed significantly. It was therefore necessary to commission a new study.
- 3.25 A new GTAA is needed to replace our current evidence base on the accommodation needs of Gypsies and Travellers and Travelling Showpeople for South Oxfordshire and the Vale of White Horse, which is contained in the

## Gypsy, Traveller and Travelling Showpeople Accommodation Assessment 2017.

- 3.26 A procurement process to appoint a consultant to undertake the new study took place over spring/summer of 2023. Two separate tendering processes were undertaken as it was not possible to appoint a suitably qualified and experienced consultant who could meet the agreed timeframes of the project first time round. The second procurement exercise resulted in commissioning consultancy Arc4 in October 2023 to produce an Oxfordshire-wide GTAA. An inception meeting was held with the consultants in October 2023 and throughout the autumn 2023 information and data was shared between the councils and the consultant to assist them in completing the study including locations and status of sites and yards in each authority area and relevant stakeholder contact details.
- 3.27 Stakeholder engagement with relevant officers in each authority, neighbouring authorities and special interest groups was undertaken in early 2024.
- 3.28 The consultant visited each of the sites and yards in the study area in January 2024 to engage with communities and obtain first-hand knowledge of sites. The household survey work was expected to follow on from this in February and March, however due to unforeseen circumstances this was not possible. The household surveys were undertaken between April and May 2024, this involved the consultant's fieldwork team visiting each of the sites and yard and undertaking interviews in person. Residents were however given the opportunity to have a telephone interview if that was their preference.
- 3.29 Draft initial findings and site observations were shared with each of the councils in June 2024, this was followed up in mid July 2024 by the draft GTAA report.
- 3.30 Following receipt of the draft GTAA report, a number of meetings and discussions have taken place between the officer working group and the consultant Arc4, with the study also featuring as the main item at the September 2024 Oxfordshire Planning Policy Officers meeting. South Oxfordshire and Vale of White Horse have engaged positively with the other Oxfordshire authorities on the study, with a focus on ensuring the study is robust and its findings justified.
- 3.31 Work on finalising the GTAA study is still on-going as of 1 October 2024. There is a need to work together to resolve various technical issues with the consultants concerning the approach taken to identifying qualifying needs in line with relevant policy and guidance. We expect the study to be completed and submitted alongside the Joint Local Plan for examination in December 2024.

## Section 4: the proposed policies

### Policy HOU1 - Housing Requirement

- 4.1 Policy HOU1 sets a housing requirement which aligns with our standard method-based housing need, with an uplift for each district to address the unmet need for Oxford that is in our existing, adopted Local Plans. This results in a housing requirement for each council as follows:

South Oxfordshire	Annual requirement 2021/22 to 2035/36	Annual requirement 2036/37 to 2040/41	Total requirement
	909	579	16,530

Vale of White Horse	Annual requirement 2021/22 to 2030/31	Annual requirement 2031/32 to 2040/41	Total requirement
	816	633	14,490

- 4.2 As set out above, each council will have its own, separate housing requirement. This means that each council will continue to monitor its own, separate 5 year housing land supply as we do under our current local plans. It also reflects that each council has different mechanisms in place for addressing the already agreed unmet need from Oxford; South Oxfordshire is accommodating 4,950 homes between 2021/21 and 2035/36, and the Vale of White Horse is accommodating 2,200 homes between 2019/20 and 2030/31.
- 4.3 For South Oxfordshire, the housing requirement for the first 15 years of the plan period comprises the standard method housing need of 579 homes per year, plus an uplift of 330 homes a year to accommodate the agreed unmet need from Oxford. This takes the total to 909 homes a year for this period. After this, when the agreed unmet need period has completed, the housing requirement will equate to the standard method figure of 579 homes a year.
- 4.4 For the Vale of White Horse, the housing requirement for the first 10 years of the plan period comprises the standard method housing need of 633 homes per year with an uplift of 183 homes per year to accommodate the agreed unmet need from Oxford. The Vale of White Horse figure for unmet need is

2,200 homes to be delivered over the period 2019/20 to 2030/31. This equates to 183 homes per year, but the first of these two years fall before the start of the Joint Local Plan Period in 2021/22. The total requirement for the period 2021/22 to 2030/31 is therefore 816 homes per year. After this, when the agreed unmet need period has completed, the housing requirement will equate to the standard method figure of 633 homes a year.

- 4.5 We commissioned an Employment Land Needs Assessment for South and Vale, which has estimated the total job growth in our districts over the plan period. The JHNA confirms that there is a balance between the number of workers in the areas and the number of jobs, when sustainable commuting flows have been allowed for. Therefore, there is no requirement for us to have a higher housing target to accommodate the projected growth in the workforce.
- 4.6 Oxford City Council submitted its new, proposed Local Plan 2040 for examination in March 2024. This included additional unmet need that Oxford could not accommodate within its own boundaries. Prior to submitting this plan, on 22 December 2023, Oxford City Council formally wrote to both South Oxfordshire and the Vale of White Horse District Councils requesting whether we would be able to accommodate further unmet housing need. In January 2024, the councils responded to state that neither council can agree to accommodate this, due to our concerns relating to the flaws in Oxford City Council's evidence base on housing need and housing capacity<sup>24</sup> and a failure of the Duty to Cooperate.
- 4.7 In June 2024, the Planning Inspectorate held initial hearings into the Oxford Local Plan 2040, considering legal and procedural requirements, the Duty to Cooperate, and housing need and requirement. We note that the Local Plan Inspectors in a letter dated 11 September 2024<sup>25</sup> have concluded that there was a failure by Oxford City Council to comply with the Duty to Cooperate in the preparation of its new Local Plan and inviting Oxford City Council to withdraw that Local Plan. We also note that the City Council has written to the Inspectors in a letter dated 25 September 2024<sup>26</sup> seeking clarification of aspects of the Inspectors' letter and that (as yet) no decisions have been made by the City Council on the future of their Local Plan
- 4.8 The councils recognise that where there is an agreement to meet unmet needs from another area, the amount of any agreed uplift should be added to the local housing need (as derived from the standard method) when establishing the housing requirement. This uplift does not involve a departure from the use of the standard method or amount to exceptional circumstances for using an alternative method to identify needs, but is simply an addition to the need figure derived from the standard method in setting the housing requirement. At this time, we do not consider there are any exceptional

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<sup>24</sup> [https://www.southoxon.gov.uk/wp-content/uploads/sites/2/2024/01/Joint-SV-to-Oxford-City-re-Unmet-Need-Request\\_Redacted-2.pdf](https://www.southoxon.gov.uk/wp-content/uploads/sites/2/2024/01/Joint-SV-to-Oxford-City-re-Unmet-Need-Request_Redacted-2.pdf)

<sup>25</sup> <https://www.oxford.gov.uk/downloads/file/3600/exam-20---inspectors-post-hearings-letter-to-council-september-2024>

<sup>26</sup> <https://www.oxford.gov.uk/downloads/file/3601/exam-21---letter-to-pins-in-response-to-inspectors-post-hearings-letter>

circumstances that justify a departure from the standard method in setting our housing need. We also note that the Inspectors for the Oxford Local Plan 2040 examination reached the conclusion that: “*there is no justification for moving away from the standard method for identifying the local housing need for Oxford City*”<sup>27</sup>.

- 4.9 Our policy sets out a higher housing requirement in the first 10 and 15 years for the Vale of White Horse and South Oxfordshire respectively, uplifting above the standard method to accommodate the agreed levels of unmet housing need. Our current housing delivery trajectory demonstrates that the housing sites in our area will provide a supply of homes to meet this need year on year.

## Policy HOU3 - Affordable housing

- 4.10 The Joint Local Plan preferred options consultation document is to require most new housing sites of 10 or more homes (with some exceptions) to deliver 50% of homes on site as affordable homes in South Oxfordshire, and 40% in Vale of White Horse. For specialist elderly accommodation with care, the policy requires 30% of all homes / units to be affordable.
- 4.11 The issues and drivers of housing unaffordability are complex and many of these problems cannot be resolved through policies in the Joint Local Plan. However, the Joint Local Plan can influence some areas of the housing market by requiring the delivery of affordable housing. This can only be the types of affordable housing defined by the Government within the National Planning Policy Framework<sup>28</sup>.
- 4.12 The majority of affordable housing is expected to be secured through a policy which requires the provision of affordable housing as a proportion of an overall development. The policy would also require the delivery of specific affordable housing tenure types (social rent, affordable rent, First Homes and other affordable ownership) expressed as a proportion of the overall development. These policy requirements should be informed by evidence of affordable housing need, and tested against the viability of delivering this level of affordable housing.
- 4.13 Our evidence base shows that there are high levels of affordable housing need in the districts. There is a core need, amounting to around 20% and 26% of the total local housing need in South Oxfordshire’s and the Vale of White Horse respectively. The core need is the need arising from those unable to afford to rent or own, plus the effective demand for First Homes if a 30% discount on market value was applied.

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<sup>27</sup> <https://www.oxford.gov.uk/downloads/file/3600/exam-20---inspectors-post-hearings-letter-to-council-september-2024> (Paragraph 64)

<sup>28</sup> NPPF Annex 2

4.14 The affordable housing need rises to around 40% for each council if we are to include households receiving housing benefits while living in private rented homes. We think this uplift would be justified because the housing market is clearly not meeting these households' needs. Additionally, if their housing need is to be met within the affordable sector, this would result in more lower cost housing being delivered which in turn is more genuinely affordable to the occupier, meeting a key objective of the plan.

4.15 In addition to this, national planning guidance states that we should consider the needs of those "...that cannot afford their own homes, either to rent, or to own, where that is their aspiration". Our housing needs assessment has considered the needs of households who can afford to rent privately and aspire to own their own home, but cannot afford to do so. If these households are included in our affordable need, then our affordable housing need would rise to 83% and 91% of our local housing need for each council. A significant proportion of these affordable homes would need to be offered as affordable routes to home ownership; such as shared ownership, relevant equity loans for custom and self-build housing, homes for sale at a price equivalent to at least 20% below local market value and rent to buy (which includes a period of intermediate rent).

4.16 However, as the housing need assessment states in paragraph 4.70:

*"It is important to recognise that the figures for those who aspire to home ownership are based upon those households who currently can afford market rent. However, these households would not necessarily choose new build Affordable Home Ownership if it was available, as some may prefer to secure full ownership in the less expensive second-hand housing market. Similarly, some households may not ultimately need affordable home ownership if their circumstances change to such a degree that they are eventually able to buy without financial assistance. It is also important to recognise that the identified demand could only be realised if Affordable Home Ownership products can be delivered at prices that are truly affordable in the area, in line with local house prices and incomes".*

4.17 While the NPPF seeks to address the needs of those whose needs are not met by the market for housing for sale, the JHNA acknowledges that these households can currently afford their living costs and potentially have other housing options available. They can therefore be viewed as a lower priority than those who require affordable rented tenure types.

4.18 The housing needs assessment also acknowledges in paragraph 5.28:

*"In practice, not only does First Homes not meet the needs of many of the households who aspire to own, there is no alternative product currently in South Oxfordshire and Vale of White Horse which would do so either. Therefore, many of the households are likely to remain in private rent. This however does not rule out Shared Ownership or Rent to Buy schemes from meeting the needs of some households".*



- 4.19 Therefore, the JHNA acknowledges it would not be possible to meet the needs of all those who aspire to ownership, as no product currently exists that could deliver suitably affordable ownership options. It does however acknowledge that some of this need could be met and that there is a role for other affordable ownership products in addressing this additional aspiration need.
- 4.20 We therefore consider it appropriate to uplift the affordable housing requirement to help address some of this additional demand for affordable home ownership models, where this is viable. Our JLP viability study<sup>29</sup> has considered the impact of achieving 50% affordable housing contribution from sites in both South Oxfordshire and the Vale of White Horse – this was our preferred option when we consulted on the plan in January and February 2024. However, the viability testing showed that 50% affordable housing in the Vale of White Horse was unviable, as was a 50% First Homes discount in both districts. Our proposed policy for the plan therefore reflects a different make up in affordable housing tenure than we had consulted upon at Preferred Options, and a reduced overall contribution from 50% to 40% in the Vale of White Horse.
- 4.21 Furthermore, the councils have reduced the proportion of First Homes required from development to below 25% of the overall affordable housing requirement. As demonstrated in the JHNA, meeting the affordable housing needs for our residents with 25% First Homes would require a 50% discount for both districts. Our viability study showed this was not viable, and instead concluded only a 30% discount is achievable. With only this level of discount, First Homes would only meet the needs of a small proportion of those in affordable housing need in our districts. Therefore, the proposed policy includes 6% and 15% of the affordable housing product as First Homes in South Oxfordshire and Vale of White Horse respectively. However, when First Homes are combined with “intermediate home ownership” products, the policy allows for 45% and 30% of all affordable homes to be for home ownership.
- 4.22 Figures 107 and 108 of the JHNA show the modelled need for affordable older person’s accommodation with care is around 32% and 38% in South Oxfordshire and the Vale of White Horse respectively. Our original approach in our preferred options consultation was for this policy to require 50% affordable housing for this type of accommodation in both districts. However, as with the affordable housing for standard housing, we subjected this affordable housing requirement to viability testing, which showed this was not viable in both districts. The proposed policy responds to this by requiring 30% affordable housing in both districts for older person’s accommodation with care.

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<sup>29</sup> <https://www.southandvale.gov.uk/JLPEvidence>

## Policy HOU10 - Meeting the Needs of Gypsies, Travellers, and Travelling Showpeople

- 4.23 Paragraph 9 of the PPTS states that local planning authorities should set pitch targets for travellers and plot targets for travelling showpeople. However as identified in the previous section at paragraphs 3.30 and 3.31, work on the Oxfordshire wide GTAA has not concluded, and only draft figures have been provided to us at this stage. It would not be appropriate at this stage for policy HOU10 to identify pitch targets for the plan period up to 2041 before the final level of need has been confirmed. Therefore, the plan references the need as identified in councils' latest evidence base.
- 4.24 We expect the GTAA to be finalised in time for submission of the Joint Local Plan, at which point we will recommend a modification to the plan so that policy HOU10 includes pitch and plot targets for both districts.
- 4.25 Although the GTAA has not been finalised, we do expect there to be a need for new pitches for gypsies and travellers in plan period that policy HOU10 should address. This is because of our understanding of existing sites within the plan area that do not benefit from planning permission, some pitch needs shown in the existing evidence base the 2017 GTAA that have yet to be delivered, and new households forming during the plan period.
- 4.26 Part 1 of policy HOU10 identifies four potential sources of supply of pitches/plots within the plan period that will help address the need.
- a) implementation of extant planning permissions;
  - b) extending or intensifying existing authorised sites or yards where possible to meet the needs of existing residents and their families;
  - c) through the regularisation of unauthorised sites/pitches or sites/pitches with temporary permissions where there would be no unacceptable harm in do so; and
  - d) requiring provision of between 6 to 10 pitches on each of the following housing allocations within this plan.
- 4.27 Further detail is provided in the supporting text to policy HOU10 on how we envisage a supply of pitches/plots to come forward from these sources.
- 4.28 The six housing sites listed within policy HOU10 under 1d) as allocations for between 6 and 10 new pitches are:
- 1. Land adjacent to Culham Campus
  - 2. Land at Berinsfield Garden Village
  - 3. Land South of Grenoble Road, Edge of Oxford,
  - 4. Land at Northfield, Edge of Oxford,

5. Land at Dalton Barracks Garden Village, Shippon and

6. North West of Valley Park, Didcot

4.29 These six sites will contribute significantly to the development needs of both district throughout the plan period, and represent a substantial boost to the supply of traveller pitches on a scale not seen for many years. The policy requires provision of pitches on these sites to ensure the opportunity for these sites to deliver pitches in sustainable locations is not lost.

4.30 We consider it appropriate and justified to seek provision of pitches on the housing allocations within the plan. Allocating pitches on the housing allocations within the plan allows us to consider the needs of travellers at the outset of the design process and properly integrate the pitches into the design of the development. This approach also supports key objective of government's planning policy for traveller sites (PPTS), ensuring sites are sustainable. The allocations offer the opportunity to provide a settled base where households can access appropriate health services and ensure that children can attend school either within the allocation or the settlement they adjoin.

4.31 Policy HOU10 1d) requires provision of between 6 to 10 pitches on each of six large housing allocations. While the need is still being finalised, the pitch requirement is specified as a range. This will be confirmed once the GTAA is finalised, and we plan to propose this as a modification to the plan.

4.32 The range of between 6 to 10 pitches was chosen as sites within this range could provide a comfortable environment for families living together, and can be more easily integrated and managed than larger sites. Additionally, the consultant undertaking the Oxfordshire-wide GTAA has previously advised in other studies they have produced that it is generally accepted amongst the Travelling community that private sites of up to 6-10 pitches are appropriate<sup>30</sup>.

4.33 Part 2 of policy HOU10 identifies the criteria the council will use to assess proposal for pitches and plots outside of the required at the housing allocation listed in part 1d). The criteria in part 2 will be used to consider proposals for: extending or intensifying existing authorised sites or yards, the regularisation of unauthorised sites/pitches or sites/pitches with temporary permissions and any additional windfall development proposals that may come forward in the plan period including from households not currently residing in either district.

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<sup>30</sup> West Berkshire GTAA 2021: [https://www.westberks.gov.uk/media/51475/GTAA-Update-2021/pdf/West\\_Berkshire\\_GTAA\\_2021\\_Update.pdf?m=1699537234477](https://www.westberks.gov.uk/media/51475/GTAA-Update-2021/pdf/West_Berkshire_GTAA_2021_Update.pdf?m=1699537234477)

## **Policy HOU11 - Safeguarding existing Gypsy, Traveller and Travelling Showpeople's sites:**

- 4.34 The councils will safeguard existing authorised sites and yards for gypsies, travellers and travelling showpeople to ensure they are not lost. Policy HOU11 sets out to protect the existing stock of authorised pitches from being developed or occupied by non-travellers. We will only grant planning permission for the loss of site or yard if the applicant can demonstrate the site is no longer suitable and alternative provision can be secured prior to their loss, or there is no longer a need for pitches/plots in the district.

## Section 6: Conclusions

- 6.1. The Joint Local Plan sets a policy for our housing requirement, that reflects national planning policies and guidance. Our policy responds to the evidence in our JHNA. In setting the policy we have considered whether exceptional circumstances exist to justify a departure from the standard method.
- 6.2. The standard method is what government expects local plans to follow in setting their housing need, and should only be deviated from in exceptional circumstances. Our Joint Local Plan does not consider there are any exceptional circumstances, but has identified one circumstance that justifies adding to the local housing need derived from the standard method in setting our housing requirement – an uplift to accommodate the agreed unmet housing from Oxford’s Local Plan 2036. This results in a housing requirement of 16,530 for South Oxfordshire and 14,490 for the Vale of White Horse.
- 6.3. Policy HOU3 is justified through a robust assessment of the need for affordable housing in South Oxfordshire and the Vale of White Horse, and as a result of viability testing.
- 6.4. The policy delivers on the key objective of the plan to ensure enough new homes are delivered to meet our needs, including significant numbers of homes that are genuinely affordable to rent or buy.
- 6.5. The approach to seeking provision of 40% and 50% affordable housing in Vale of White Horse and South Oxfordshire respectively supports more households being able to meet their housing need through the provision of affordable housing. This includes those households living in the private rented sector in receipt of housing benefits and those that aspire to homeownership but are unable to afford on the market. Policy HOU3 will provide opportunities for more of these households as well as those making up the core longstanding need for affordable housing to access housing that is more affordable to rent or realise their dream of homeownership.
- 6.6. Policy HOU3 also prioritises more lower cost forms of affordable housing. Social rented properties which are the most affordable tenure type are being prioritised, with a quarter of all affordable homes expected to be provided being in this form.
- 6.7. The proposed policy includes a requirement for 30% of specialist accommodation for older people with care to be delivered as affordable housing in both districts.
- 6.8. Additionally, we are seeking significant discounts on affordable ownership properties, with our policy requiring a 30% discount on market value, which will make homeownership a realistic prospect for more households. We acknowledge that this may still not be enough and support other forms of affordable ownership coming forward like shared ownership. This form of affordable homeownership generally has lower deposit and mortgage requirements than First Homes, and may represent a more affordable and

achievable option for some households, enabling more households to realise their aspiration of homeownership.

- 6.9. To meet the needs of travelling communities, the councils have made provision in the plan both for new pitches (including through allocations) and for safeguarding existing authorised sites.

# Appendix One: Standard method calculations

## Step one: setting the baseline

Using government's national household projections<sup>31</sup> to determine the projected difference in households between 2024 and 2034 to set a baseline.

	South Oxfordshire	Vale of White Horse
Projected total households 2024	59,934	56,660
Projected total households 2034	63,962	61,340
Projected change 2024-2034	+4,028	+4,680
Annualised average (the baseline)	402.8	468

## Step two: an adjustment to take account of affordability

Using the most recent Office for National Statistics median workplace-based affordability ratios<sup>32</sup> to identify an adjustment factor to apply to the baseline.

	South Oxfordshire	Vale of White Horse
Median affordability ratio	11	9.64
Affordability adjustment factor*	1.4375	1.3525
Adjusted standard method figure for affordability factor	579	633

<sup>31</sup> [www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections](http://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections), table 406

<sup>32</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

\* derived from the planning practice guidance as follows:

$$\text{Adjustment factor} = \left( \frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

### **Step three: capping the level of any increase**

*Where these policies were adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies. Where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is the higher of:*

- a. the projected household growth for the area over the 10 year period identified in step 1; or*
- b. the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).*

*The South Oxfordshire Local Plan 2035 was adopted less than 5 years ago, and the average housing requirement figure is more than the 579 figure identified in step 2. Therefore, no cap is needed.*

*The Vale of White Horse Local Plan 2031 Part 1 identified the housing requirement for the district. The average housing requirement figure of that plan is higher than the household projections identified in step 1. The housing requirement figure is higher than the 633 figure identified in step 2. Therefore, no cap is needed.*



## Standard method conclusions

*As no cap is applied to the outputs from step 2, the standard method identifies an annual local housing need for each district as follows:*

	South Oxfordshire	Vale of White Horse
Annual local housing need derived using the standard method	579	633

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