

**WEST OXFORDSHIRE DISTRICT COUNCIL
AFFORDING HOUSING CONSULTATION**



This is the response of Eynsham Parish Council.

1. Do you agree with the extent of the three value 'zones' identified at Figure 1 and their use for determining the Council's affordable housing requirement?

No. The proposed High, Medium and Low Charging Zones are too arbitrary to form an equitable tax base map and would create a postcode lottery for future development.

The Planning Act 2008 (S212(4)(b)) says WODC should use 'appropriate available evidence to inform the draft charging schedule'. The DCLA Community Infrastructure Levy Guidance April 2013 (at 25) says, 'It is recognized the available data is unlikely to be fully comprehensive or exhaustive'. However this Guidance also says (at 28), '[WODC's] proposed levy [rates] should be reasonable given the available evidence....'

Rather than using the available evidence to 'inform', the Aspinall Verdi CIL Viability Study (AV) approach relies on an over-simplification of previous WODC affordable housing needs and viability studies together with Land Registry post code based data collection methods. None of these were designed for or intended to be directly relied on to provide a tax base map for CIL purposes. Where there are admitted gaps in the evidence these are filled with assumptions. (AV 5.27-5.41)

The creation of two High Value bands on the 'Cotswold' east of the District and the 'Oxford' west (including Eynsham) appear to be for the convenience of the hypothetical AV Study rather than an informed reliance on the available evidence to create an equitable rate based on actual market and threshold land values in any given area. In fact, the West Oxfordshire Housing Needs Assessment Final Report 2008, on which the AV Survey heavily relies, shows house prices in West Oxfordshire are lower than the majority of neighbouring areas, except for Cherwell and Swindon (Table 6-3).

Guidance 2013 says (at 37), 'Charging authorities that plan to set differential levy rates should seek to avoid undue complexity, and limit the permutations of different charges that they set within their area. However, resulting charging schedules should not impact disproportionately on particular sectors or specialist forms of development....'

The AV approach results in arbitrary charging zones within the District which are not fairly based, either within the zones or in comparison with each other, on either market value or affordable housing need. This disproportionality is particularly evident when the proposed

affordable housing Commuted Sums for 1 to 5 dwellings are applied. Of two similar development sites in this sector, in close proximity and with similar market value and affordable housing needs in the area, one could be subject to a Commuted Sum two or four times the other, based solely on the proposed postcode zones. The obvious result would be a skewing of development within the District.

2. In relation to the on-site provision of affordable housing do you agree that the minimum threshold for on-site provision should be 6 dwellings?

Yes, with the following reservations. Lowering the threshold for on-site provision could contribute towards the Draft Local Plan goals for affordable housing (Core Policy 8) and the National Planning Policy Framework regarding mixed-communities.

This is unlikely to have a significant impact on large national builders as the additional overheads can be spread across the company as a whole. There is concern, however, about the impact on the smaller regional and local builders who would be most likely to deliver housing developments of 6 to 14 dwellings. These are also the builders who would be more likely to make the best use of available land and create dwellings more in character with the surrounding area.

The AV Study's hypothetical modelling indicates this range is within AV's margin of 'viability'. But, the higher cost and risk to smaller builders could mean some developments are in reality seen as unviable and would not be built. To avoid a detrimental effect on the Draft Local Plan target, the provisions of Draft Core Policy 8 should be a flexible alternative, with consideration given to a revised mix and type of housing, a lower level of affordable housing, or a financial contribution (in money or land) for off-site provision of affordable housing .

3. In relation to the on-site provision of affordable housing do you agree that the percentage requirement in the higher value zone should be 50%, in the medium value zone 40% and in the lower value zone 35%?

Yes, provided the High, Medium and Low zones are fairly defined. This would have a less proportionate impact on Eynsham regardless of allocated zone as under the Local Plan 2011 (Policy H11(b)(i)) the requirement is already 50% (over 15 dwellings or 0.5ha).

4. With regard to the payment of a commuted sum in lieu of on-site affordable housing provision, do you agree that small-scale residential schemes of 1 to 5 dwellings should be exempt from CIL but required to pay a commuted sum towards affordable housing?

No. Single dwellings should be treated separately from developments of 2 to 5 dwellings. The AV Study has clearly targeted this category as 75% of units constructed in the last three years were single dwellings (AV 5.5). Even though it is admitted this is a response to the

current affordable housing policy of on-site provision everywhere in the District (except for Witney, Carterton, Chipping Norton and Eynsham) for developments of 2 or more dwellings (Local Plan 2011, Policy H11). The draft policy is intended to remedy this.

The proposed Commuted Sum on a single dwelling would be punitive or prohibitive to low budget self-build projects or homeowners wishing to rebuild a substandard or inadequate dwelling. Similarly, for a homeowner wishing to build a separate dwelling within the curtilage for dependant relatives. The average new house, according to the RIBA, is 76m². According to AV Table 4.7, the high value area construction cost would be £1,224m². Notwithstanding there is no threshold land value and gross development value is not applicable, the imposition of the High Value Commuted Sum of £55,000 would be over 37% of the total construction cost. If this rendered the building cost prohibitive, dependant relatives would likely be forced into sheltered or extra care housing.

Single dwellings built by the landowner for the occupation of himself or his family should be separately rated at a lower rate which would contribute to affordable housing but reflect the fact these dwellings are not going to enter the housing market. Alternatively, such dwellings could be £0 rated with a covenant in the planning consent, or land charge, requiring the Commuted Sum to be paid upon sale at market value. Single dwellings constructed for sale at market value should be rated the same as developments of 2 to 5 dwellings.

Developments of 2 or over dwellings will in almost all cases be for the financial gain of the landowner and builder. On these sites on-site affordable housing is much less viable as even the AV hypothetical models show. If these market value dwellings are to contribute to the provision of affordable housing, an exemption from CIL and a fair and reasonable Commuted Sum provides a known and calculable method of securing this contribution.

5. Do you consider the recommended affordable housing commuted sums set out at Table 1 are reasonable?

No. Charging authorities should avoid setting a charge right up to the margin of economic viability across the vast majority of sites in their area (Guidance 2013 at 30; AV 2.17). The proposed rates should be reasonable given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence, for example, if the evidence points to setting a charge right at the margins of viability. There is room for some pragmatism (Guidance 2013 at 28).

The proposed rates, based on the AV hypothetical modelling, are in each case set at the margins of model viability. The Commuted Sums approximately double between Low, Medium and High. 'Differences in rates need to be justified by reference to the economic viability of development' (Guidance 2013 at 34). The steep scale of the proposed rates does not reflect the relative economic activity within the District. Combined with the flawed

definition of the charging zones (see answer to 1 above) this makes the recommended sums particularly inequitable and unsustainable.

6. Do you wish to make any comments on the Council's preferred tenure split of 66% affordable rented housing and 33% intermediate housing?

This split equates roughly with the underlying data base relied upon in the AV survey.

7. Are there any other comments you wish to make?

The AV study admits any differential rate of tax will have a distorting effect on the pattern of land use (AV 4.36). The objections to the AV approach set out above indicate that the proposed zones and rates would have an adverse effect on housing development both in number of dwellings and in the areas of need. This would, in turn, affect the amount of affordable housing built and threaten the delivery of the draft Local Plan as a whole (Guidance 2013 at 29; NPPF at 273).