

## SPIP PARTNERSHIP 22<sup>nd</sup> SEPTEMBER 2011

### SPIP Oxfordshire Developers' Housing Forum 12<sup>th</sup> September 2011

**Why has housing development in Oxfordshire, especially on the larger sites stalled? What are the current barriers the development industry is facing?**

Three sets of explanations have been identified by the four groups during discussions in response to this question.

#### External conditions:

- Market conditions affecting the schemes' viability
- Difficult to forecast land supply in current market conditions
- Developers prefer to concentrate on small sites to avoid competition from larger developers and infrastructure costs
- Landowners are willing to wait for prices to get back to pre-2007 levels.
- Mortgage-lending difficulties on the client side
- Less and less sites are becoming available on the market
- Issue of sites acquired pre-2007 with consent (5 year programme)
- Unrealistic expectation (land value)
- Bank lending issue

#### Local issues:

- Issue of land ownership in Oxford (Colleges, City Council, only one site owned by Berkeley), no great scope for developers, not a lot of greenfield sites
- Land availability and demand (i.e. Didcot: not a lot of demand for land)
- Oxford members, no negotiation on the 50% affordable housing
- Forward supply of land: in Oxford, members tend to go for more than what can reasonably be achieved

#### Planning-related conditions:

- Uncertainty around localism and the NPPF
- Affordable housing (costs are increasing), risk of doubling CIL/S106, uncertainty around the affordable rent model
- Retaining equity to make it more affordable to buy
- Delay in the LDF completion
- Applications get refused on other reasons than planning, after public consultation
- HCA no funding
- Local Planning Authorities have fundamental misunderstanding of development economics
- Cost of planning process

- Problem with forward supply of land, some councils tend to aim for less housing than what would be necessary

**If you were Head of Planning for an Oxfordshire District what would you be telling your Members needs to be done to get the development pipeline moving again? i.e. if you were in my shoes what would you do?**

Potential solutions for making the situation better have been identified by the four groups during discussions in response to this question. These potential solutions are organised around four themes.

#### Affordable housing and other financial requirements

- Get developers involved in CIL
- Negotiate timings for S106 agreements for large sites
- Delay some money contributions (i.e. schooling, transport) till mid scheme rather than all or nothing at start of scheme.
- Off-site contributions for social housing

#### Political changes

- Developers need to be allowed to be present at committees briefing
- Developers need to have direct dialogue with members
- Review County/Town strategy
- Cross-border issues are crucial – more collaboration at a political level (Oxfordshire member forum?)

#### Viability issues

- Need for a dialogue between developers and local authorities
- Join-venture needed for funding
- Standards cannot keep rising (i.e. Code Level, impact on developers' finances)
- Local Planning Authorities should develop expertise in viability assessments (agree a viability that works for both parties)

#### Land availability

- More realistic sites need to be released
- Councils need to buy land
- Landowners have to be more reasonable

## Key actions deriving from the Housing Forum

1. **Dialogue** – site specific early on in the process (locality specific, involving the community and members)
2. **Viability** – HCA (with DCLG) is holding sessions on viability assessment which focus on common models (area-wide assessments). This helps to understand the broad parameters used. It is offered free of charge to Local Authorities.
3. **More realistic sites need to come forward** – challenge the communities who are resisting sites

Attendance list

**Name**

**Organisation**

Jim Smith

A2 Dominion

Sam Williams

Berkeley Homes

Alasdair Chant

Berkeley Homes

Paul Barham

BPHA

David Keyse

J.J. Gallagher

Sebastian Skinner

J.J. Gallagher

Kevin Dixon

Kier Property

Andrew Whitaker

Home Builders Federation Ltd

Roger Smith

Savills

Joanna Webb

Taylor Wimpey

Andy Cattermole

Taylor Wimpey

Steve Pickles

West Waddy

Martyn Swann

Cherwell District Council

John Hoad

Cherwell District Council

Graham Stratford

Oxford City Council

Michael Crofton-Briggs

Oxford City Council

Mark Jaggard

Oxford City Council

Laura Goddard

Oxford City Council

Marta Bou-Fernandez

Oxford City Council

Marianne Auzanet

Oxford City Council

Jennifer Owen

Oxford City Council

Ian Morrow

West Oxfordshire District Council