

**Salt Cross Area Action Plan (AAP)  
Examination Hearing – 30 June 2025**

**Statement of Common Ground between West  
Oxfordshire District Council and Grosvenor**

**27 June 2025**

## **1. Introduction**

- 1.1 This statement of common ground has been prepared by Grosvenor and West Oxfordshire District Council (hereafter ‘the parties’).
- 1.2 Grosvenor represents a consortium of landowners that controls the majority of the land within the proposed Area Action Plan (AAP) boundary for Salt Cross Garden Village.
- 1.3 West Oxfordshire District Council is the local planning authority and submitted the Salt Cross AAP for independent examination in 2021.
- 1.4 For ease of reference, this statement has been structured into a number of sections which broadly correlate with the Inspector’s published Matters, Issues and Questions (MIQs). These are:
  - General Matters
  - Legislative and Policy Framework
  - Net Zero Carbon Development Evidence Base
  - Sustainability Appraisal
  - Viability
  - Proposed Main Modifications to Policy 2 – Net Zero Carbon Development
- 1.5 The parties have each submitted detailed hearing statements responding to each of the MIQs and so those are not repeated in detail here.
- 1.6 Rather, the statement seeks to identify the key strands of the parties’ respective cases, identifying areas of common ground wherever possible, but also highlighting key areas of disagreement so that these are clear to all parties, prior to the examination hearing taking place.

## **2. General Matters**

- 2.1 The parties agree the following general matters:
  - Policy EW1 of the adopted West Oxfordshire Local Plan 2031 allocates land at Salt Cross (formerly referred to as the Oxfordshire Cotswolds Garden Village) as a strategic location for growth (SLG) to accommodate a free-standing exemplar Garden Village, the comprehensive development of which will be led by an Area Action Plan (AAP).
  - The Salt Cross AAP was formally submitted for examination in February 2021.
  - Following a lengthy examination process, the Inspector’s final report was received in March 2023 and concluded that the District Council had met the duty to co-operate, complied with all relevant legal requirements and

that, subject to a number of main modifications, that the AAP is sound and capable of adoption.

- A subsequent third party legal challenge ultimately led to the Inspectors report and proposed Main Modifications being quashed insofar as they relate to Policy 2 – Net Zero Carbon Development.
- The remaining elements of the AAP, whilst not formally adopted by West Oxfordshire District Council, nonetheless carry significant material weight in planning terms.
- Salt Cross remains an important component of West Oxfordshire’s assumed housing land supply for the period to 2031 and beyond – including in relation to Oxford’s unmet housing needs.
- The District Council is not able to demonstrate a 5-year supply of deliverable housing land at the current time.
- Both parties remain wholly committed to bringing Salt Cross Garden Village forward to delivery.
- Since the AAP was formally submitted for examination in February 2021, significant time has passed and there have been changes to wider economic conditions, notably related to construction costs and inflation, but also related to the progress of adjacent schemes and integration with infrastructure projects, notably the amended A40 HIF scheme.
- Once examined and adopted, the policies of the AAP will need to be seen in this context.

### 3. Legislative and National Policy Framework

3.1 With regard to the **Planning and Energy Act 2008**, the parties agree the following:

- Section 1(1) of the Planning and Energy Act empowers local planning authorities in England to include in development plan documents, policies that impose reasonable requirements for:
  - (a) A proportion of energy used in development in their area to be energy from renewable sources in the locality of the development;
  - (b) a proportion of energy used in development in their area to be low carbon energy from sources in the locality of the development;
  - (c) Development in their area to comply with energy efficiency standards that exceed the energy requirements of building regulations.
- That this power is discretionary and subject to limitations - in particular that policies included in development plan documents by virtue of subsection (1) must not be inconsistent with relevant national policies for England, including:
  - (a) national policies relating to energy from renewable sources, in the case of policies included by virtue of subsection (1)(a);
  - (b) national policies relating to low carbon energy, in the case of policies included by virtue of subsection (1)(b);
  - (c) national policies relating to furthering energy efficiency, in the case of policies included by virtue of subsection (1)(c).
- ‘Energy efficiency standards’ means standards for the purpose of furthering energy efficiency that are:
  - (a) Set out or referred to in regulations made by the appropriate national authority under or by virtue of any other enactment, or
  - (b) Set out or endorsed in national policies or guidance issued by the appropriate national authority (the Secretary of State in the case of a local planning authority in England).

- 3.2 The parties are not agreed on the extent to which Policy 2 (as proposed to be modified under ED9D) is consistent with national policy or the extent to which it seeks to impose a ‘reasonable requirement’.
- 3.3 Grosvenor consider that the requirements of the policy have not been endorsed in national policies or guidance and that the proposed approach is inconsistent with building regulations and national policy.
- 3.4 Grosvenor further considers that the Council is not setting ‘reasonable requirements (e.g. 100% of energy demand to be met on site) and that the Council is not proceeding on evidence which demonstrates that the requirements it is proposing to impose make it viable for Salt Cross to be delivered to such requirements.
- 3.5 The District Council considers that the energy-based requirements outlined under Policy 2 (as proposed to be modified under ED9D) have been endorsed by MHCLG via the National Model Design Code and that the requirements of the policy are reasonable and based on robust evidence that is proportionate to the plan-making stage.
- 3.6 With regard to the **Planning and Compulsory Purchase Act 2004**, the parties agree that:
- Section 19 (1A) imposes a general requirement that development plan documents must, taken as a whole, ‘include policies designed to secure that the development and use of land in the local planning authority’s area contribute to the mitigation of, and adaptation to, climate change’.
  - Section 19 (2) provides that, in preparing a development plan document, the local planning authority must have regard to national policies and advice contained in guidance issued by the Secretary of State and that this includes guidance in Written Ministerial Statements.
- 3.7 With regard to the **Climate Change Act 2008**, the parties agree that:
- Section 1 imposes on the Secretary of State for Energy and Climate Change the duty to ensure that the net UK carbon account for the year 2050 is at least 100% lower than the 1990 baseline.

3.8 With regard to the **Planning - Local Energy Efficiency Standards Update – 13 December 2023** ('The 2023 WMS') the parties agree the following:

- The 2023 WMS remains an extant expression of national policy.
- That the 2023 WMS states that 'the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned buildings regulations' and that 'The proliferation of multiple, local standards by local authority area can add further costs to building new homes by adding complexity and undermining economies of scale'.
- That the 2023 WMS allows for the possibility of local authorities introducing planning policies that propose local energy efficiency standards for buildings that go beyond current or planned building regulations.
- That any such policies should be rejected at examination if they do not meet a number of specific provisions, including:
  - That any alternative must be supported by a well-reasoned and robustly costed rationale;
  - That the alternative ensures development remains viable;
  - That impact on housing supply and affordability is considered in accordance with the NPPF;
  - The additional requirement is expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER); and
  - The additional requirement is calculated using a specified version of the Standard Assessment Procedure (SAP)
- That the 2023 WMS is a material consideration in planning terms.

3.9 The parties are not agreed on the extent to which Policy 2 (as proposed to be modified under ED9D) is consistent with the 2023 WMS.

3.10 Grosvenor considers that it is necessary for the Council's approach to meet each of the five 'tests' of the 2023 WMS and that its proposed approach fails to meet any of them,

3.11 Grosvenor considers that the proposed deviation from the 2023 WMS is not justified for Salt Cross and that the impact on housing supply, and notably affordable housing supply, has not been properly considered by the Council.

3.12 The Council considers that its proposed approach meets the requirements of the 2023 WMS, save one aspect, regarding the use of residential target emission rates (TER) and that, as outlined in its hearing statement, the deviation from this one aspect, is justified by the evidence as well as other relevant legislative and national policy considerations.

#### **4. Net Zero Carbon Development Evidence Base**

4.1 The parties agree the following:

- Paragraph 32 of the NPPF (2024) states that, in the context of preparing and reviewing plans, *'The preparation and review of all policies should be underpinned by relevant and up-to-date evidence'* and that *'This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals'*.
- The net zero carbon development evidence base (ED9B) is necessarily based on a number of residential and non-residential 'typologies' reflecting the fact that the AAP is at the plan-making stage and the details of specific land uses/occupants are not known at this point in time.
- The cost modelling included within the net zero carbon development evidence base (ED9B) is based on a weighted average residential build cost of £1,795 per sqm (excluding any cost uplift for Policy 2).
- ED9B states that the TER based policy approach would be more expensive to achieve than the energy metrics-based approach (+7% vs +6.1%).

4.2 The parties are not agreed on the extent to which the net zero carbon evidence base (ED9B) and the energy and cost modelling contained therein, justifies the approach being proposed by the District Council.

4.3 Grosvenor has particular concerns regarding the following aspects of ED9B:

- The misalignment of baseline BCIS build cost assumptions between ED9B and the financial viability update ED9A.
- That any assumed capital uplift in costs should be applied to more representative base build costs.

- That insufficient evidence has been provided on the cost modelling to interrogate the conclusions made, particularly where they are at the lower end of comparable evidence.
- Aspects of the modelling in ED9B are inconsistent with the SAP-approach and could not be monitored in the same way as building regulations.

4.4 The District Council considers ED9B to be robust and proportionate to the current stage of plan-making for the AAP for the reasons outlined in its hearing statement.

## 5. Sustainability Appraisal

5.1 The parties agree the following:

- That the previous AAP Inspectors' Report of March 2023 found at paragraph 32, that overall, the Sustainability Appraisal/SEA process undertaken complies with the necessary legal requirements and associated national guidance.
- The SA addendum note (ED9C) submitted by the Council has been prepared by the same consultant team and utilises the same appraisal framework.
- That ED9C includes a minor error in relation to the findings against SA objective 10, insofar as the commentary refers to the 'low carbon' TER based approach considered in ED9B, rather than the 'zero carbon' energy-metrics based approach considered in ED9B and reflected in Policy 2 as proposed to be modified by the District Council.
- That this minor error does not affect the conclusions of the SA or undermine its validity and that the likely significant positive effect identified in relation to SA objective 10 is valid and correct.

5.2 The parties are not agreed on the extent to which the SA addendum considers the impact of Policy 2, as proposed to be modified, on housing delivery rates.

5.3 Grosvenor considers that this matter has not been properly considered.

5.4 The District Council believe it has and that this is reflected in the wording of the SA Addendum (ED9C) under SA objective 1 which states that '*...At the same time, potential adverse effects are identified as the stringent requirements of the policy could potentially limit the rate of housing delivery due to developer concerns over viability. A mixed effect is therefore likely overall.*'



## 6. Viability

### 6.1 The parties agree the following:

- Policy 2, as proposed to be modified, introduces additional development costs over and above baseline BCIS build cost assumptions.
- Paragraph 32 of the NPPF (2024) states that, in the context of preparing and reviewing plans, ‘The preparation and review of all policies should be underpinned by relevant and up- to-date evidence’ and that ‘This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals’.
- Further, detailed consideration of viability matters will need to take place at the application stage, notably regarding the section 106 package, scale of affordable housing and the impact of the AAP policies in the round.
- That the updated financial viability appraisal (ED9A) has been carried out by the same consultant team that prepared the initial viability appraisal of the AAP in 2021 and subsequently updated in 2022.
- That in the previous AAP Inspectors’ report of March 2023, the Inspectors stated at paragraph 191 that, *‘In the case of Salt Cross, which is a large rural greenfield site, which was allocated in the Local Plan at a specific location for a specific housing need, we are of the view that there needs to be a degree of pragmatism on the site value benchmark. As such we find the viability appraisal for the AAP to be reasonable on this critical aspect and has not significantly, if at all, understated the benchmark land value’.*
- That the assumed overall net to gross ratio of 31.6% is based on the Illustrative Spatial Framework Plan contained in the submission draft AAP (Figure 11.6).
- The ‘base case’ viability appraisal included in ED9A includes 50% affordable housing and the required AAP infrastructure and S106 package and concludes that the project is currently not financially feasible, without adjustments, as the residual land value (RLV) falls significantly short in absolute terms of the required benchmark land value (BLV) for the planning stage.

- For the purposes of ‘sensitivity testing’ ED9A considers an ‘eco-premium’ scenario, whereby an uplift has been applied to assumed sales values. This scenario is further broken down into 50% affordable housing, 45% affordable housing and 40% affordable housing. The previous viability assessments carried out in 2021 and updated in 2022 did not include any eco-premium uplift.
- At 50% affordable housing, notwithstanding the application of the eco-premium uplift to assumed sales values, ED9A states that the project remains unviable.
- At 45% affordable housing, ED9A concludes that whilst the residual land value has increased to c. £58m, it remains slightly below the benchmark land value of c. £59.8m.
- At 40% affordable housing, the residual land value increases to c. £74.2m which ED9A states to be 12.4 times greater than the existing use value.
- Whilst the adopted West Oxfordshire Local Plan 2031 stipulates a requirement for 50% affordable housing in the Eynsham area (including Salt Cross) this is subject to viability consideration as outlined in Local Plan Policy H3 – Affordable Housing.
- Based on a recent Local Housing Needs Assessment (LHNA) for West Oxfordshire, the emerging draft Local Plan 2041 (Preferred Policy Options – June 2025) identifies a district-wide requirement for 40% affordable housing.

6.2 The parties are not agreed on a number of aspects of the approach taken in ED9A.

6.3 Grosvenor has a number of detailed concerns. As these are detailed in their hearing statement, these are not repeated here but key points to note include:

- The key assumptions used in ED9A individually and cumulatively underestimate the costs for delivering Salt Cross and simultaneously overestimates likely received values.
- The use of lower quartile build costs is inappropriate and not commensurate with targeted scheme quality.
- Assumed sales values are from a much wider area.

- Concern about the low level of residential contingency given the history of the site.
- Grosvenor argue there is limited evidence for large scale delivery of eco homes achieving a significant premium and that the authors of the report referenced in the MIQ (Savills) state that they would be wary of applying such an assumption to Salt Cross.
- Delivering serviced commercial land would imply a Master Developer oriented approach. A master developer approach does not appear to be fully reflected in the ED9A assumptions.

#### 6.4 The District Council considers that:

- The updated financial viability study (ED9A) is robust and proportionate to the plan-making stage. It also follows national policy, guidance and best practice.
- With the exception of sensitivity testing around the application of an ‘eco-premium’ uplift to sales values, ED9A adopts the same overall methodology used in the initial 2021 appraisal and subsequent update of 2022.
- The use of lower quartile build costs is appropriate for volume house building of the scale proposed at Salt Cross.
- Sales Value assumptions are clearly presented and underpinned by comparable market evidence, including data from recognised sources.
- All other assumptions (including developer profit, affordable housing transfer values, professional fees, contingency, marketing and finance are justified and appropriate having regard to standard industry rates, the PPG and best practice.
- Overall, the viability inputs are clearly sourced, transparent, and consistent with the standardised and evidence-led approach set out in the National guidance and standards.

## **7. Proposed Main Modifications to Policy 2 – Net Zero Carbon Development**

7.1 Set out below are the key points of agreement and disagreement relating to the wording of Policy 2 as proposed to be modified by the District Council.

7.2 The parties agree the following:

- That in its 2020 outline planning application for Salt Cross, Grosvenor committed to a fossil fuel free development.
- The principle of some on-site renewable energy generation.
- The evidence outlined in ED9B demonstrates that for some of the building typologies considered, it is not possible to provide 100% renewable energy ‘on building’ (e.g. the mid-rise apartment typology).
- That it is appropriate to require compliance with Part O of the Building Regulations at the detailed planning stage, but that in the interests of brevity, this requirement could be outlined in the supporting text.
- Performance against an EUI target is dependent on the actions of individual building occupiers.
- Policy 2 as proposed to be modified does not introduce specific limits/targets relating to embodied carbon but does require development proposals to demonstrate attempts to meet the upfront carbon limits of the UK Net Zero Carbon Buildings Standard.
- The requirements of Policy 2, as proposed to be modified, in relation to predictive energy modelling could be clarified through further modification.
- The table heading in ED10 which states ‘Main Modifications’ is a typographical error and should instead read ‘Minor Additional Modifications’.

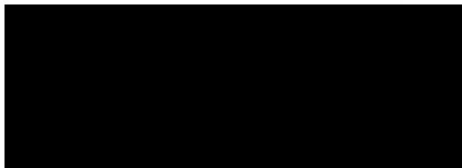
7.3 In general terms, Grosvenor considers that Policy 2 as proposed to be modified is overly prescriptive and insufficiently flexible in terms of its application through development management and planning.

7.4 Specific points of concern include the following:

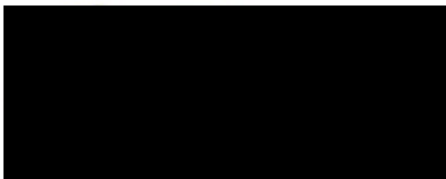
- Whilst a requirement for a percentage of onsite generation is accepted in principle, a reasonable level is required and needs to be justified by the evidence base.
- There has been no consideration of alternative EUI thresholds within the evidence base.
- The use of sector specific EUI targets does not comply with the 2023 WMS. Furthermore, the need to consider commitments at the application stage is not appropriate and the requirements of the limb should be removed to supporting text.
- The policy seeks to set unenforceable requirements which cannot form the basis of a planning condition and would require, for example, restrictive controls on occupiers.
- There is a disproportionate and very unreasonable burden of evidence being sought from applicants, in excess of existing processes such as Building Regulations, which should be avoided and which renders Policy 2, as proposed to be modified, unsound.
- It is not reasonable or appropriate to expect the issue of embodied carbon to be addressed at the outline planning application stage.
- Policy 2 would require a separate monitoring and enforcement framework to be defined for Salt Cross which would differ from those in place to support compliance with building regulations or elsewhere within West Oxfordshire District Council.
- There is no additional monitoring cost allowed for applicants to do this, or evidence provided that WODC would be able to manage this unique requirement for Salt Cross.
- Additional flexibility is required in policy 2, including reference to compliance being 'subject to viability'.

- 7.5 The District Council considers that in general terms, the wording of Policy 2, as proposed to be modified, is clear and justified by the supporting evidence.
- 7.6 As outlined in its hearing statement, the Council acknowledges that there are a number of areas in which the policy could be further refined/improved including in relation to additional flexibility should it not be possible for all aspects of the policy to be achieved.

**Signed by:**



**Chris Hargraves**  
**Head of Planning**  
**West Oxfordshire District Council**  
**Date: 27 June 2025**



**Rupert Biggin**  
**SMDP Director**  
**Grosvenor**  
**Date: 27 June 2025**