



WEST OXFORDSHIRE  
DISTRICT COUNCIL

# Affordable Housing Supplementary Planning Document (SPD)

Adopted 27 October 2021



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# 1.0 Preface

## 1.1 Background

- 1.1.1 The delivery of more affordable homes is a key priority for West Oxfordshire District Council as set out in the Council Plan 2020 – 2024<sup>1</sup> and the West Oxfordshire Local Plan 2031.<sup>2</sup>
- 1.1.2 Evidence prepared in support of the Local Plan identified the need for 274 affordable homes per year<sup>3</sup> (excluding existing commitments) to 2031 and there are currently 3,074 households on the District Council's affordable housing register.
- 1.1.3 The provision of more affordable homes is therefore a key issue and the purpose of this Supplementary Planning Document (SPD) is to provide detailed guidance on the delivery of new affordable housing in West Oxfordshire to support the Council, developers, housing providers and local communities. The SPD supplements the Local Plan and whilst this does not in itself make it policy, it is a material consideration in the determination of planning applications.
- 1.1.4 The overall objectives of the SPD are:
- To provide clear and transparent guidance on the application of Local Plan Policy H3 and Core Objective 6 (CO6) to assist those proposing developments to make successful planning applications and improve the delivery rates of affordable housing in West Oxfordshire.
  - To deliver a better balance between the affordable housing need and the supply of affordable accommodation with particular reference to location, housing mix and tenure type proposed on developments.
  - To improve the quality and range of affordable housing options available within the District.
  - To ensure that new affordable housing addresses the climate change emergency.
  - To secure improved housing affordability through the provision of a broad range of different forms of affordable housing.
  - To promote new and innovative approaches to the delivery of affordable housing.
  - To help sustain and improve the vitality, vibrancy and quality of life of local communities.

<sup>1</sup> <https://www.westoxon.gov.uk/media/vtnnfcjj/westoxoncouncilplan.pdf>

<sup>2</sup> <https://www.westoxon.gov.uk/media/fejmpen/local-plan.pdf>

<sup>3</sup> Oxfordshire Strategic Housing Market Assessment (SHMA) – 2014

## 1.2 Scope

1.2.1 This SPD provides detailed guidance on how Policy H3 and Core Objective 6 of the WODC Local Plan will be implemented in order to support proposed development and help deliver sustainable communities. In particular, it contains guidance on the following:

- Developments where affordable housing will be sought – qualifying sites and thresholds
- Quantity of affordable homes needed
- Size and Mix of Affordable Homes
- Off-site provision / Financial contribution
- Viability
- Standards and Design
- Section 106 Agreements
- Nominations, Key Worker and Local connection provision
- Timing of Provision
- Occupancy
- Delivery Mechanisms
- Alternative Affordable Housing delivery routes

## 1.3 Status

1.3.1 The SPD supplements the West Oxfordshire Local Plan 2031, providing more detailed guidance on the delivery of affordable housing. It does not form part of the Local Plan but is a material consideration in the decision-making process.

1.3.2 Please see the Glossary at the end of the document for an explanation of the abbreviations and terms used in this document.

# 2.0 Policy Context

## 2.1 The NPPF

2.1.1 The Government's National Planning Policy Framework – NPPF and associated Planning Practice Guidance (PPG) requires local authorities to deliver a sufficient number and range of homes to meet the needs of present and future generations.

2.1.2 The NPPF states at paragraph 62 that:

*'Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).'*

2.1.3 And at paragraph 63 that:

*'Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:*

*a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and*

*b) the agreed approach contributes to the objective of creating mixed and balanced communities.*

2.1.4 Paragraph 65 of the NPPF states that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership (as part of the overall affordable housing contribution from the site) 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.

2.1.5 Certain exceptions to the 10% requirement apply including build to rent, specialist accommodation (e.g. for the elderly or students) self/custom-build and sites that are 100% affordable housing, entry level exception sites and rural exception sites.

## 2.2 Oxfordshire Strategic Vision

- 2.2.1 The Oxfordshire Growth Board has developed a Strategic Vision for Oxfordshire<sup>4</sup> which sets out the County's ambitions and creates an agreed set of long-term, strategic economic, infrastructure and environmental priorities designed to deliver the outcomes that local people want.
- 2.2.2 The vision identifies what 'good growth' will look like in Oxfordshire and identifies a series of guiding principles which include the following:

### **Guiding Principle 6**

**We will promote the development of new homes that will add to the vitality and vibrancy of our communities while positively contributing to our collective wellbeing. We will tackle the significant challenge of housing affordability in Oxfordshire by delivering more truly affordable homes both for rent and home ownership, and we will deliver homes that allow people to live healthily, happily and independently in their old age. The emphasis will be on place-shaping.**

## 2.3 Oxfordshire Plan 2050

- 2.3.1 As part of its commitments under the Oxfordshire Housing and Growth Deal, the Oxfordshire local authorities are working collectively on the preparation of a new strategic plan for Oxfordshire – the Oxfordshire Plan 2050.
- 2.3.2 The plan is currently in preparation and once adopted, will form part of the statutory development plan, guiding future planning decisions in Oxfordshire. A draft consultation document published in July 2021 identifies a number of plan objectives including the following relating to the provision of more affordable homes:
- 7. To meet Oxfordshire's housing needs, including affordable housing, and to ensure that housing delivery is phased appropriately to support the needs of our communities.**
- 2.3.3 In recognition of the evidence<sup>5</sup> pointing towards a 'very significant scale of need for affordable housing in Oxfordshire' the consultation document identifies a preferred policy option which seeks to ensure maximum levels of affordable housing are delivered on new residential sites across Oxfordshire with detailed issues on specific requirements and tenure mix remaining a matter for individual Local Plans.

## 2.4 The West Oxfordshire Local Plan 2031

- 2.4.1 The West Oxfordshire Local Plan was formally adopted in September 2018. It seeks to provide at least 15,950 homes in the period 2011 – 2031 and identifies a significant need for new affordable housing<sup>6</sup>.

<sup>4</sup> <https://www.oxfordshiregrowthboard.org/wp-content/uploads/2021/05/Strategic-Vision-full-document.pdf>

<sup>5</sup> Oxfordshire Growth Needs Assessment (OGNA) – July 2021

<sup>6</sup> 274 units per year excluding existing commitments based on the Oxfordshire Strategic Housing Market Assessment (SHMA) 2014.

- 2.4.2 Policy H3 relates to affordable housing and is set out in full at **Appendix 1**. In summary, the policy requires the provision of on-site affordable housing as part of larger market housing schemes of 11 or more units with the requirement varying by location from 35% – 50%.
- 2.4.3 Smaller market housing schemes of 6-10 units within the Cotswolds Area of Outstanding Natural Beauty (AONB) are required to make a financial contribution towards the provision of affordable housing within the District. The policy also addresses the issue of housing mix and the provision of affordable housing in rural areas including through Rural Exception Sites (RES).

- 2.4.4 Policy H3 is supported by Core Objective 6 (CO6) of the Local Plan which seeks to:

*‘Plan for an appropriate mix of new residential accommodation which provides a variety of sizes, types and affordability with special emphasis on the provision of homes for local people in housing need who cannot afford to buy or rent at market prices including those wishing to self-build, as well as homes to meet the needs of older people, younger people, black and minority ethnic communities, people with disabilities, families and travelling communities.’*

## **2.5 The West Oxfordshire Council Plan (2020 – 2024)**

- 2.5.1 Part of the vision of the current West Oxfordshire Council Plan is to meet the housing needs of the District’s changing population, securing the provision of market and affordable housing of a high quality for the wide range of householders making their home in West Oxfordshire.

- 2.5.2 Key actions of particular relevance to this SPD include:

- Ensuring an adequate overall supply of housing to meet identified needs including those in need of affordable housing;
- Measures to increase the number of affordable housing units delivered annually, including the promotion of innovative housing solutions, so that we can reduce the housing waiting list;
- The promotion and delivery of self-build and custom-build plots and opportunities to meet the needs of those on the Council’s self-build register;
- Investigating a new West Oxfordshire living rent to ensure that affordable homes are truly affordable for local people and key workers;
- Using the planning system to ensure that new developments provide a range of housing products, including low-cost home ownership models and the right size and flexibility of properties and property types to meet the current and future needs of our residents; and
- Exploring and developing new partnerships (for example the Blenheim approach) to deliver on: modern methods of construction to reduce carbon footprints, more landowner provided housing and genuine community-led housing opportunities.

# 3.0 What is affordable housing?

## 3.1 West Oxfordshire definition

3.1.1 There is no singular definition of affordable housing.

3.1.2 The West Oxfordshire Local Plan 2031 defines affordable housing as:

*'That which is affordable to those who cannot afford market priced housing locally to rent or purchase'. It is housing provided with either public or private subsidy for people who would otherwise be unable to resolve their housing requirements in the local housing market because of the relationship between housing cost and local incomes'.*

## 3.2 NPPF definition

3.2.1 The NPPF provides the following, specific definition of affordable housing<sup>7</sup>:

**Affordable housing:** housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

**a) Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

**b) Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

**c) Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

<sup>7</sup> It should be noted that the District Council will have regard to any amendments to the definition of affordable housing as set out in any subsequent iterations of the NPPF.

**d) Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost 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). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

3.2.3 In February 2020, the Government consulted on a new 'First Homes' policy designed to help first time buyers by offering a discount of at least 30% from market values. Further consultation took place in August 2020 and in a Written Ministerial Statement (WMS) published on 24 May 2021<sup>8</sup> the Government confirmed its plans for the delivery of First Homes including a definition of the product and relevant changes to planning policy.

#### *Definition of First Homes*

3.2.4 From 28 June 2021, a home meeting the criteria of a First Home will also be considered to meet the definition of 'affordable housing' for planning purposes.

3.2.5 The First Homes Criteria means:

- A First Home must be discounted by a minimum of 30% against the market value; and,
- after the discount has been applied, the first sale of the home must be at a price no higher than £250,000 (or £420,000 in Greater London).

3.2.6 Local authorities are able to set a deeper minimum discount at either 40% or 50% and impose lower price caps, if they can demonstrate a need for this through evidence. The same level of discount must apply to the home each time it is sold in perpetuity (subject to certain specific exclusions) with the discount being secured through a planning obligation.

#### *Eligibility for First Homes*

3.2.7 First Homes must be prioritised for first-time buyers (as defined in paragraph 6 of schedule 6ZA of the Finance Act 2003 for the purposes of Stamp Duty Relief for first-time buyers) and not be sold to any household with a combined annual income in excess of £80,000 (or £90,000 in Greater London).

3.2.8 Local authorities can apply additional criteria at a local level such as a lower income cap, giving priority to key workers (who also meet the first time buyer definition) and / or specifying a particular local connection requirement based on work or current residency. Such additional criteria can also be applied through Neighbourhood Plans.

<sup>8</sup> <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>

- 3.2.9 Any such restrictions are however time-limited to the first three months from the start date of marketing of the property and upon expiry of the three-month period, any homes which have not been sold or reserved will revert to the national standard criteria set out above. This is to ensure that homes do not remain unsold if suitable buyers in the local area cannot be found.
- 3.2.10 As a deterrent against the use of First Homes for investment, all purchasers of First Homes must use a mortgage or home purchase plan (if required to comply with Islamic law) for at least 50% of the discounted purchase value.

### *Changes to planning policy*

- 3.2.11 To support the delivery of First Homes, a number of policy changes were introduced from 28 June 2021 including the introduction of a new national threshold based on a requirement for a minimum of 25% of all affordable housing units secured through developer contributions to comprise First Homes.
- 3.2.12 In accordance with paragraph 62 of the NPPF, affordable housing is expected to be delivered on-site unless off-site provision or an appropriate financial contribution in lieu can be robustly justified; and the agreed approach contributes to the objective of creating mixed and balanced communities.
- 3.2.13 Where financial contributions for affordable housing are secured instead of on-site units, a minimum of 25% of these contributions should be used to secure First Homes. Where a mixture of on-site provision and financial contributions are secured, 25% of the overall value of affordable housing contributions should be applied to First Homes.
- 3.2.14 Importantly, under the new system, a policy compliant planning application should seek to capture the same amount of value as would be captured under the local authority's up-to-date published policy (in the case of West Oxfordshire – Policy H3 of the West Oxfordshire Local Plan 2031).
- 3.2.15 In addition to capturing the same amount of value towards affordable housing as the existing policy, where on-site affordable housing is required, a policy compliant application will have a minimum of 25% of affordable housing units on-site as First Homes.
- 3.2.16 In terms of the remaining 75% of affordable housing, the WMS states that local authorities should prioritise securing their policy requirements on social rent once they have secured the 25% First Homes requirement and where other affordable housing units can be secured, these tenure types should be secured in their relative proportions as set out in the Local Plan.

### Exemptions from having to provide First Homes

3.2.17 Where specific developments are exempt from delivering affordable home ownership products under paragraph 65 of the NPPF, they shall also be exempt from the requirement to deliver First Homes.

### First Home Exception Sites

3.2.18 The WMS explains that local authorities should support the development of First Homes exception sites suitable for first-time buyers, unless the need for such homes is already being met within the local authority's area.

3.2.19 First Homes exception sites should be on land which is not already allocated for housing and should:

- a) comprise First Homes (as defined in the WMS)
- b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in the National Planning Policy Framework, and comply with any local design policies and standards.

3.2.20 A small proportion of market homes may be allowed on the site at the local authority's discretion, for example where essential to enable the delivery of First Homes without grant funding. A small proportion of other affordable homes may also be allowed where there is significant identified local need.

3.2.21 Importantly, the First Homes Exception site approach does not apply within designated rural areas such as the Cotswolds Area of Outstanding Natural Beauty (AONB). Here, Rural Exception Sites (RES) will remain the sole type of exception site which is able to come forward.

3.2.22 A more detailed explanation of how each affordable housing tenure type works in practice in West Oxfordshire is given in the following table:

<b>Rental Housing</b>	
a) Social rented housing:	Social rented housing is housing owned and managed by registered providers, for which target rents are determined through the Government's rent policy for Social Rent. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England as a condition of grant. Typically social rented housing costs 50-60% of market rented housing.

<p>b) Affordable Rent housing</p>	<p>Let by private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent housing must meet all of the following conditions:</p> <ul style="list-style-type: none"> <li>i. The rent must be no more than 80% of the local market rent (including service charges, where applicable). Government policy restricts annual rent increases to CPI+1% and requires providers to have regard for local market context including the relevant Local Housing Allowance for the Broad Market Rental Area in which the property is located when setting rents. Assuring the ongoing affordability of homes of this tenure is a priority, and the District Council may seek during the planning process information about how this regard will be observed, and may seek agreement to cap rents at LHA levels in Section 106 agreements. See also section <b>3.3 Broad Rental Market Areas and Local Housing Allowances</b></li> <li>ii. the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and for Build to Rent schemes, Affordable Private Rent housing is expected to be the normal form of affordable housing provision.</li> </ul>
<p>c) Rent to Buy</p>	<p>A scheme to help first time buyers, or those returning to the market following relationship breakdown. Households are able to rent a home at an affordable or intermediate rent, providing an opportunity to build up a deposit. There are different models of rent to buy with different terms and conditions but generally households rent the property for a defined period with the expectation of purchase at the end of the period. Some rent to buy schemes include support towards purchase such as gifted deposits.</p>

<p>d) Build to Rent</p>	<p>Build to rent refers to purpose built housing that is 100% rented and can form part of a wider multi-tenure development scheme comprising flats or houses. Schemes will usually offer longer tenancy agreements of 3+ years and will be part of a professionally managed stock in single ownership and management control. The Government's Planning Practice Guidance on Build to Rent states that <i>'20% is generally a suitable benchmark for the level of Affordable Private Rent homes to be provided (and maintained in perpetuity) in any Build to Rent scheme'</i>. The guidance also stipulates that Affordable Private Rent should be set at a level that is at least 20% less than the private market rent (inclusive of service charges) for the same or equivalent property. In addition affordable units within Build to Rent developments are not expected to be managed by a registered provider, but should be under common management control by the private operator managing the whole site / block.</p> <p>Affordable units should be distributed throughout the development and physically indistinguishable from the market rent homes within the development in terms of quality and size. Build to Rent developments will be secured under a S106 agreement.</p> <p>Build to Rent market rent assessments should be carried out by Build to Rent Developers using the definition of the International Valuation Standards Committee as adopted by the Royal Institute of Chartered Surveyors. The District Council reserves the right to benchmark this rate against evidence from a relevant local housing needs assessment and if necessary use this evidence to justify an amendment to the rate required. Equally, there is also provision for developers, in exception, to make a case seeking to differ from the benchmark.</p>
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**Intermediate Housing** – Homes for sale and rent provided at a cost above social rent but below market sale and rent levels. It includes a range of low cost home ownership products for households who are not able to access home ownership through the market:

<p>a) Shared ownership:</p>	<p>The purchaser buys a proportion of the value of the home, e.g. 50%, and the remaining share is kept by the freeholder which is usually a registered provider. A subsidised rent is paid on the remainder of the equity. The proportion offered for sale by the registered provider should not be fixed in advance, but tailored to the individual circumstances of the individual household.</p> <p>With effect from 28 June 2021, the initial equity share must be between 10% and 75% and the Council will seek to ensure that a good proportion of each type and size of shared ownership units are initially sold at shares at the lower end of this range in order to help ensure affordability. When they can afford to, purchasers have the opportunity to 'staircase', i.e. to buy further equity shares until they own 100% of the property<sup>9</sup>.</p> <p>Typically, shared owners purchase additional equity in increments of 5% or more but with effect from 28 June 2001, new shared owners are able to 'staircase' in 1% increments over a period of 15 years, accompanied by reduced fees.</p>
<p>b) Shared equity</p>	<p>The purchaser acquires the whole of the property but effectively only pays a proportion of the value, e.g. 75%. The remaining 25% is secured by an equity loan without any rental obligation.</p>
<p>c) Discount market sale</p>	<p>Discount Market Sale is a low cost home ownership product where a new build property is purchased at a discounted price, usually around 80% of the market value (i.e. a 20% discount), and aims to help low and middle earners get onto the property ladder. See also First Homes below.</p>

<sup>9</sup> Note: specific restrictions on the ability to purchase 100% apply in rural and OPSO schemes (Older Persons Shared Ownership)

<p>d) First Homes</p>	<p>First Homes are a specific kind of discounted market sale housing and are the government’s preferred discounted market tenure.</p> <p>Specifically, First Homes are discounted market sale units which:</p> <ul style="list-style-type: none"> <li>a) must be discounted by a minimum of 30% against the market value;</li> <li>b) are sold to a person or persons meeting the First Homes eligibility criteria;</li> <li>c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,</li> <li>d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).</li> </ul> <p>In accordance with the Government’s Written Ministerial Statement (WMS) of 24 May 2021<sup>10</sup>, the District Council will seek to ensure that at least 25% of all affordable housing units delivered by developers through planning obligations comprise First Homes as defined in the WMS.</p> <p>In accordance with the WMS, the Council will seek a minimum 30% discount against the market value and will consider the justification for imposing a deeper minimum discount through the forthcoming review of the West Oxfordshire Local Plan.</p> <p>In terms of eligibility for First Homes, at this point in time the Council does not intend to impose any additional local criteria over and above the national eligibility criteria. The justification for the potential use of additional local criteria will be further considered as part of the forthcoming review of the West Oxfordshire Local Plan.</p>
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<sup>10</sup> <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>

- 3.2.23 The NPPF definition of affordable housing makes it clear that most forms of affordable housing should remain affordable to future occupants. Affordable housing for rent (affordable rent and social rent) for example must include provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. Similarly, in respect of discount market sales housing, provisions should be in place to ensure that housing remains at a discount for future eligible households.
- 3.2.24 Other affordable routes to home ownership such as shared-ownership, where public grant funding is provided, should also include provisions for the homes to remain at an affordable price for future eligible households, or any receipts to be recycled for alternative affordable housing provision.
- 3.2.25 In accordance with the NPPF, the Council will seek to ensure that where relevant and appropriate, affordable housing is secured as such for the benefit of future eligible households (for example by remaining at an affordable price or with subsidy/sale proceeds being recycled into alternative affordable housing provision).
- 3.2.26 Prospective developers are recommended to contact the Council's planning and housing services at an early stage for more detailed advice on the provision of affordable housing in connection with particular development proposals, prior to submission of a planning application. Early discussion with planning officers helps to ensure that better quality applications are submitted.
- 3.2.27 Full details on the District Council's pre-application advice including the application form and details of costs can be found on the Council website.<sup>11</sup>
- 3.2.28 The provision of affordable housing also requires consultation with the Council's affordable housing development team. The team works closely with planning officers and registered providers to ensure new communities are sustainable and will input into the delivery, tenure mix, location and transfer arrangements with the chosen provider. Contact details for the team can be found in **Appendix 2**.
- 3.2.29 Where the affordable housing is to be transferred to a Registered Social Landlord (RSL) or Registered Provider (RP) detailed discussions should be held with them on the layouts and specifications e.g. Space standards. Any RSL / RP must be able to meet the Council's eligibility criteria, full details of which are available from the Council's Housing Services.<sup>12</sup>

<sup>11</sup> <https://www.westoxon.gov.uk/planning-and-building/planning-permission/get-advice-on-your-application/>

<sup>12</sup> <https://www.westoxon.gov.uk/housing/>

### 3.3 Broad Rental Market Areas (BRMA) and Local Housing Allowances (LHA)

- 3.3.1 Local Housing Allowance (LHA) rates are used to calculate Housing Benefit for tenants renting from private landlords. LHA rates relate to the area in which people claim. These areas are called broad rental market areas (BRMA).
- 3.3.2 The Broad Rental Market Area (BRMA) and Local Housing Allowance (LHA) have a determining effect on the amount of benefit that people on low income can claim to support their housing costs.
- 3.3.3 The three BRMAs that cover the district of West Oxfordshire (Oxford, Cherwell Valley and Cheltenham) each have different LHA rates. The amount of benefit available to claimants therefore varies significantly between these areas. This is illustrated in the table below.

Number of bedrooms	Cherwell	Oxford	Cheltenham
Shared	£78.02	£118.87	£78.59
1 bedroom	£149.59	£178.36	£126.58
2 bedrooms	£178.36	£210.00	£159.95
3 bedrooms	£207.12	£253.15	£195.62
4 bedrooms	£298.61	£364.77	£275.01

- 3.3.4 Government policy requires registered providers to have regard for the LHA when setting rents. Maintaining affordability of rented affordable housing is a priority and WODC advises that registered providers and developers take into account the relevant BRMA and LHA when appraising a scheme.
- 3.3.5 The WODC website<sup>13</sup> contains more information about LHA and BRMA's. See also section **3.22 Rental Housing**.

<sup>13</sup> <https://www.westoxon.gov.uk/council-tax-and-benefits/housing-benefits-and-universal-credit/apply-for-housing-benefit/>

# 4.0 Existing Affordable Housing Need and Provision in West Oxfordshire

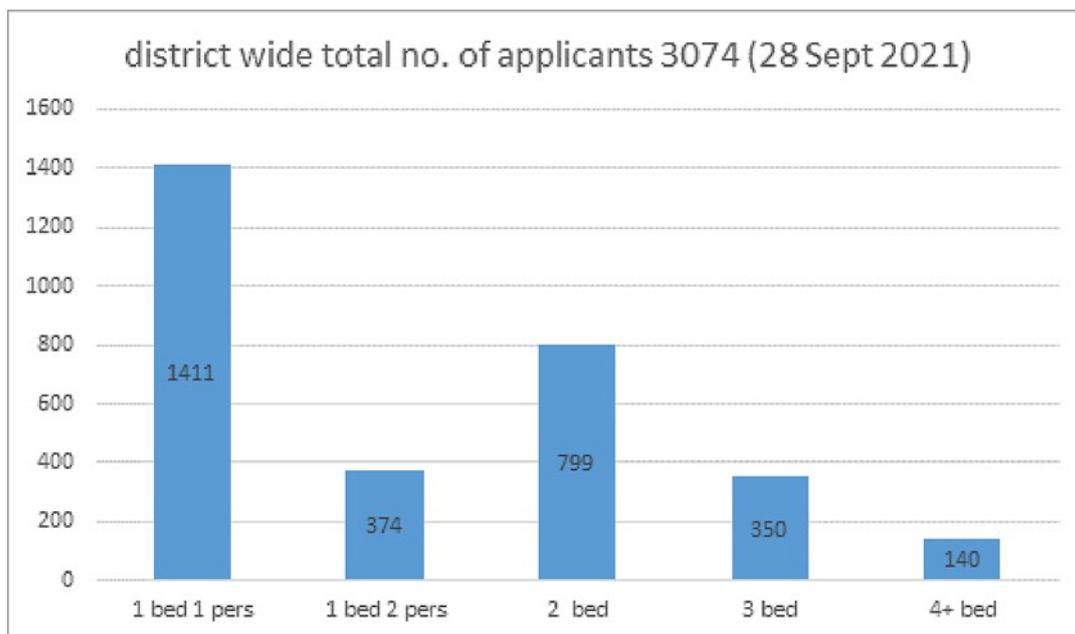


**Figure 1: Recently completed affordable housing in West Oxfordshire**

## 4.1 Affordable housing need

- 4.1.1 The provision of new housing in West Oxfordshire is a critically important issue and a recurring theme in the Local Plan. The Oxfordshire Strategic Housing Market Assessment (SHMA) published in 2014 identified the need for 660 homes per year in West Oxfordshire over the plan period to 2031, of which 274 should be affordable.
- 4.1.2 The more recent Oxfordshire Growth Needs Assessment (OGNA) published in July 2021 in support of the emerging Oxfordshire Plan 2050 identifies that across Oxfordshire, the median cost of a home was 10.4 times income in 2019 with Oxford being ranked as one of the UK's least affordable cities. The OGNA report estimates a need for almost 3,200 new affordable homes per year across Oxfordshire to 2030.

- 4.1.3 Increasing delivery of the number, type and distribution of affordable housing for both rent and subsidised sale is therefore a key priority for West Oxfordshire.
- 4.1.4 Policy H3 of the West Oxfordshire Local Plan 2031 seeks to secure an increase in the supply of affordable homes by increasing the number of developments which support affordable housing and increasing the number of affordable homes on those developments.
- 4.1.5 The Council also aims to widen the choice of dwelling size and tenures available to redress the imbalance in the housing market. Local Plan Policy H4 – Type and Mix of New Homes is a particularly relevant consideration in this respect seeking to ensure that a good, balanced mix of new homes are provided within all new residential developments.
- 4.1.6 In addition to the level of affordable housing need identified in the SHMA (2014) and more recent OGNA report (2021) the Council’s housing register provides an up to date indication of affordable housing need in the District.
- 4.1.7 The graph below shows the total number of applicants as of 28 September 2021 broken down by preference for particular property sizes. It is relevant to note that the main need is for 1 and 2-bed properties. The issue of affordable housing size requirements is further considered in Section 5.2 below.





**Figure 2: Affordable housing under construction**

## 4.2 Current affordable housing provision – supply and type by location

- 4.2.1 Delivery of both affordable and market housing in West Oxfordshire has fluctuated since the start of the Local Plan period 2011. The lower rates of affordable housing delivery in the early years can be attributed to a number of factors including wider economic conditions, development viability and national policy changes.
- 4.2.2 WODC has continued to work closely with developers to accelerate delivery of housing in the district and there has been a steady increase in the number of affordable housing completions since 2012/13 as shown below. This is expected to continue, particularly as the larger strategic local plan allocations come forward in the second half of the Local Plan period i.e. from 2021–2031.



4.2.3 This increase in housing delivery demonstrates the positive approach to affordable housing by WODC and we will continue to seek innovative ways of working with developers to increase both the number and speed of affordable homes delivered across the District.

4.2.4 The West Oxfordshire Local Plan is based on five individual sub-areas:

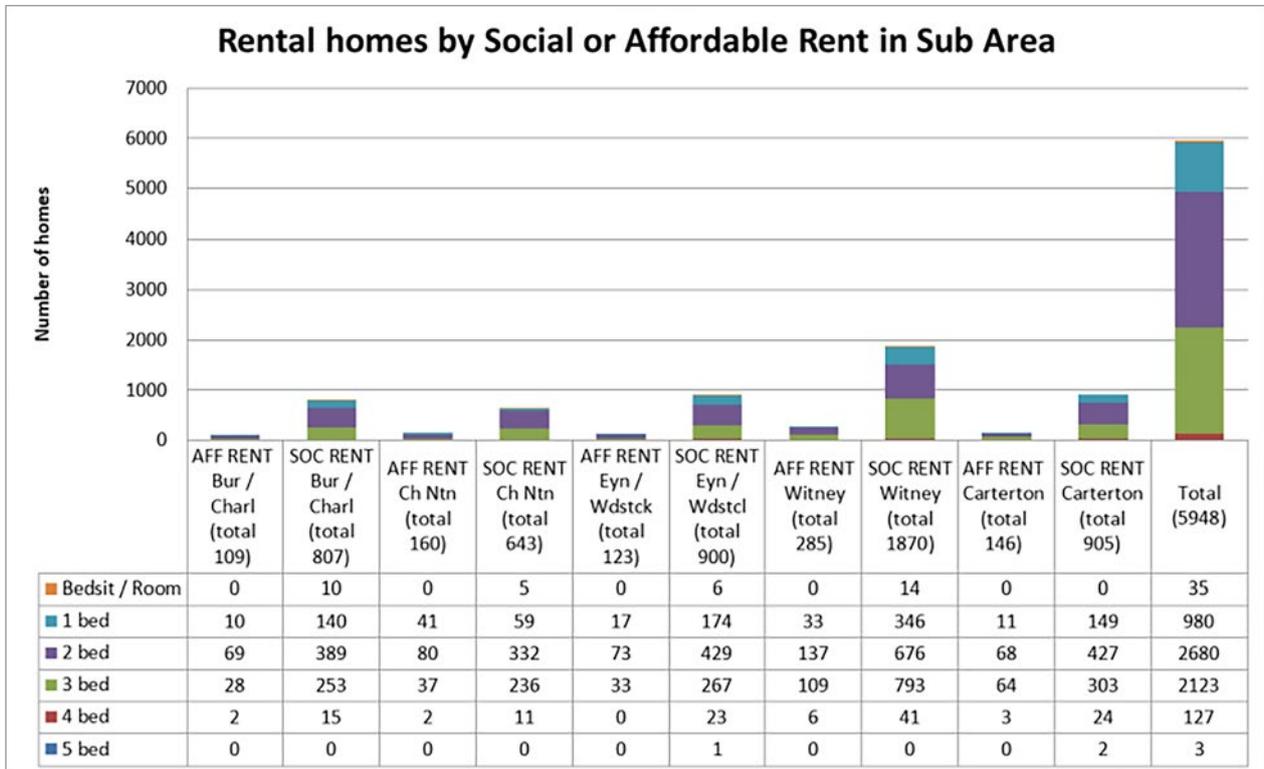
- Witney sub-area
- Carterton sub-area
- Chipping Norton sub-area
- Eynsham – Woodstock sub-area
- Burford – Charlbury sub-area

Figure 9.1a: Sub-area plan



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4.2.5 The table below shows the current levels of social and affordable rented properties in each of the five sub-areas. It can be seen that there is a predominance of social rented properties across all areas, in particular within the Witney sub-area.



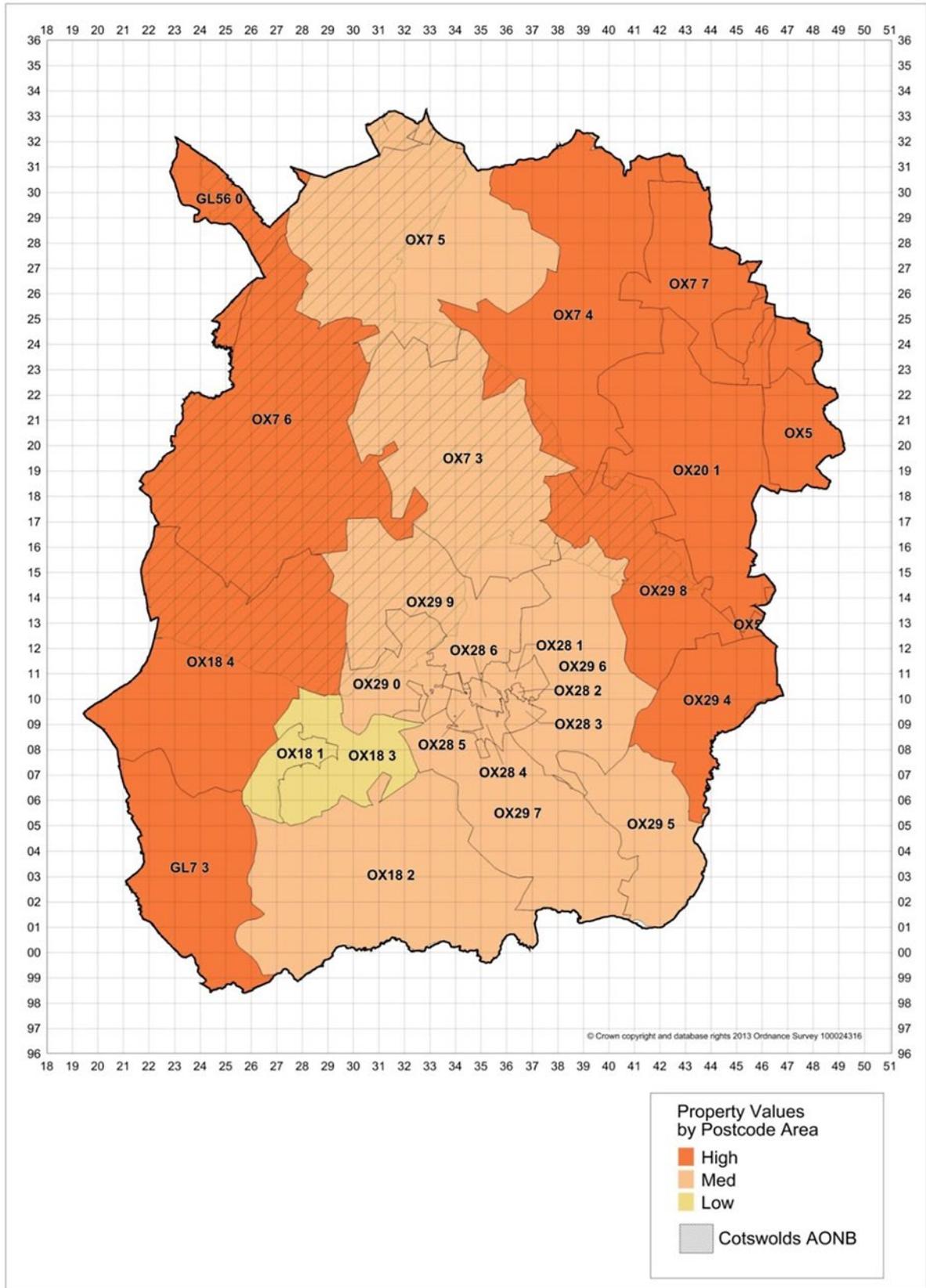
# 5.0 Future Affordable Housing provision in West Oxfordshire

## 5.1 'Qualifying' sites – when will affordable housing or a contribution towards affordable housing be required?

### *On-site provision of affordable housing*

- 5.1.1 In accordance with the Local Plan, the Council will seek between 35% and 50% affordable housing on all qualifying sites except within the Cotswolds Area of Outstanding Natural Beauty (AONB), where a financial contribution in lieu of on-site provision applies.
- 5.1.2 Policy H3 states that housing schemes of 11 or more dwellings, or which have a maximum combined gross floor space of more than 1,000m<sup>2</sup> will be required to provide affordable housing on-site as a proportion of the market homes as follows:
- High value zone – 50%
  - Medium value zone – 40%
  - Low value zone – 35%
- 5.1.3 The above requirement also applies to sheltered housing but a reduced level of provision will be sought in respect of extra-care housing as follows:
- High value zone – 45%
  - Medium value zone – 35%
  - Low value zone – 10%
- 5.1.4 The lower requirement for extra-care housing was determined as part of the Local Plan examination and is based on the typical development viability of such schemes which tend to have large areas of communal space (i.e. non-saleable).

5.1.5 A map showing the extent of the three value zones is shown below:



## *Off-site Provision / Financial Contributions*

- 5.1.6 There are a number of circumstances in which the Council will or may accept a financial contribution towards affordable housing in lieu of on-site provision.
- 5.1.7 Under Policy H3, within the Cotswolds AONB, market housing schemes of 6-10 units and which have a maximum combined floor space of no more than 1,000m<sup>2</sup> will be required to make a financial contribution for off-site affordable housing provision within the District. This amount is £100 per m<sup>2</sup> based on the Gross Internal Area (GIA) of the proposed market units.
- 5.1.8 Policy H3 also recognises that in some instances, it may not be possible, even on larger market housing schemes, to deliver affordable housing on-site e.g. it is not physically possible or feasible, or there is evidence that a separate site may be more suitable to meet local need and contribute to the creation of mixed communities.
- 5.1.9 In such circumstances, a financial contribution in lieu of on-site provision (or a combination of on-site provision and a financial contribution) may be appropriate. This will be determined on an individual site basis. In accordance with Local Plan Policy H3, affordable housing mix and tenure will be responsive to identified local needs and site-specific opportunities.
- 5.1.10 Financial contributions received from developers will be held in a specific affordable housing fund to support the provision of new affordable homes which will be administered by the Strategic Affordable Housing Team. In accordance with the Government's Written Ministerial Statement (WMS) of 24 May 2021, this will include the provision of First Homes.
- 5.1.11 The financial contributions will be ring fenced to enable the Local Authority to provide stimulus to the affordable housing market by:
- local authority development including estate renewal; WODC is currently developing a parcel of land at Langford for affordable housing and funding can be used to increase the % of affordable units delivered on the site.
  - support of a registered providers development; WODC is working with registered providers to promote small sites in rural locations to meet local need. In general these rural exception sites will be to meet local need and would not normally be considered for development. Commuted sums can be used to increase the % of affordable units delivered and will reviewed on a case by case basis.
  - housing purchased on the private market to be transferred to a registered provider; additionality is being sought from developers with funding through either the Growth Board or commuted sums.
  - vacant properties bought back to use; WODC is interested in securing vacant properties to provide additional affordable housing particularly in the main service centres of Witney, Carterton and Chipping Norton.
  - other housing schemes that qualify under planning policy.

## 5.2 The size of affordable homes needed

5.2.1 The existing housing stock in West Oxfordshire is dominated by larger properties and the Council's aim is to redress this imbalance by providing smaller family homes for younger households and those wishing to downsize.

5.2.2 The Oxfordshire SHMA (2014) provides an indication of the size of affordable homes needed (by bedroom size) in the period 2011 – 2031. The indicative mix of dwelling sizes is as follows:

- 1-bedroom 28.4%
- 2-bedroom 34.7%
- 3-bedroom 30.4%
- 4+ bedroom 2.6%

5.2.3 This is reflected in the West Oxfordshire Local Plan which includes the following indicative size mix for affordable housing:

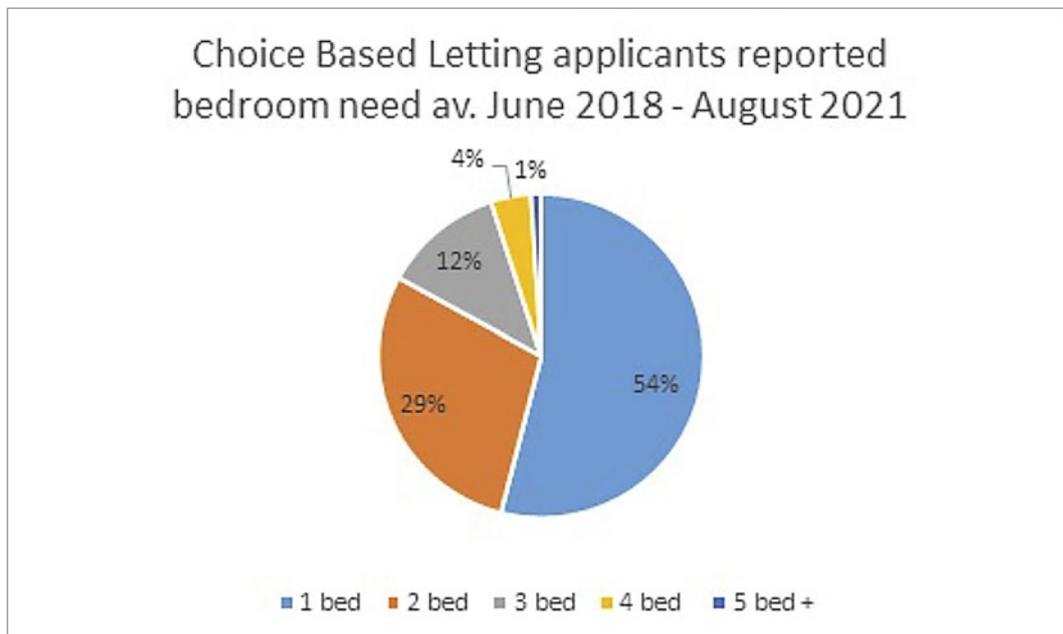
- 65% one and two-bedroomed homes
- 35% three and four-bedroomed homes

5.2.4 More recent evidence prepared by ICENI<sup>14</sup> in support of planned growth at Eynsham, identifies a similar indicative affordable housing size mix as set out in the table below.

	1-bed	2-bed	3-bed	4-bed
Social/affordable rent	30-35%	30-40%	30-35%	5%
Affordable home ownership	20-25%	40%	25-30%	5-10%

<sup>14</sup> <https://www.westoxon.gov.uk/media/mbwnzsw2/housing-strategy-advice-west-oxfordshire.pdf>

5.2.5 Further intelligence on the size of affordable homes needed in West Oxfordshire is provided by the Council's Choice Based Lettings database<sup>15</sup> which shows that of those registered in need of affordable rented accommodation, the greatest requirement is for 1-bed properties (54%) and 2-bed properties (29%) as shown in the chart and table below.



1 bed	54%
2 bed	29%
3 bed	12%
4 bed	4%
5/6/7 bed	1%

5.2.6 In determining the most appropriate mix of affordable property sizes in any qualifying development, the District Council will have general regard to the indicative guidelines provided by the SHMA (2014) and in the case of growth in the Eynsham area, the more recent housing evidence prepared by ICENI.

5.2.7 Alongside this, the Council will consider registered property size requirements from the Council's Choice Based Lettings database as well as any other specific evidence of local need, the nature of the development and any relevant practical management considerations.

<sup>15</sup> Homeseeker Plus data May 2020

### 5.3 Preferred Tenure Mix

- 5.3.1 WODC welcomes a mix of tenure for affordable housing to ensure a balanced community is delivered on each development. Developers are encouraged to commence discussions with Registered Providers at the earliest opportunity to understand the affordable housing type and tenure required for their proposed development to achieve this aim.
- 5.3.2 As an indicative starting point, the West Oxfordshire Local Plan 2031 highlights a significantly greater need for rented accommodation than for the various forms of intermediate housing, with a ratio of 2:1 in favour of affordable rented homes. This is however a general guide only and the precise mix will be determined on a case by case basis. Further guidance is provided below.

#### *Rented Affordable Products*

- 5.3.3 Due to the high property values in West Oxfordshire, access to affordable housing is a key challenge with the highest level of need being for rented accommodation. There are several forms of rented affordable products as outlined earlier, including affordable rent, social rent and affordable private rent (in the context of Build to Rent schemes).
- 5.3.4 The West Oxfordshire Local Plan 2031 and evidence which supports it, is predicated on the basis of new affordable housing schemes in the District comprising two-thirds affordable rent to one-third intermediate housing (shared ownership etc.).
- 5.3.5 The District Council will therefore continue to seek the provision of a high proportion of affordable rent as part of all affordable housing proposals although the precise proportion will be a matter for negotiation on a case by case basis, having regard to all relevant circumstances including identified needs, the specific characteristics and location of the site and where applicable, any issues of development viability.
- 5.3.6 Where affordable rent is provided, Affordable rent levels should be set with reference to Local Housing Allowance levels and at no more than 80% of market rental taking into account the local context for the rent levels at the time of letting. Rents and rent increases for affordable housing in West Oxfordshire will follow the guidance laid out in the MHCLG Policy statement on rents for Social Housing<sup>16</sup> which permits annual rent increases on both social rent and affordable rent properties of up to CPI+1 percentage point from 1 April 2020.
- 5.3.7 The West Oxfordshire Local Plan 2031 makes no specific reference to the provision of social rent in West Oxfordshire, however as it represents the most 'affordable' type of rented affordable housing, the District Council is keen to facilitate the provision of social rent wherever possible within the District to provide a balanced mix of options and to increase affordability.
- 5.3.8 The Government's Written Ministerial Statement of 24 May 2021 recognises the importance of social rent as part of the affordable housing tenure mix.

<sup>16</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/781746/Policy\\_Statement.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/781746/Policy_Statement.pdf)

- 5.3.9 Developers will therefore be encouraged to include a proportion of social rent as part of the overall mix of affordable homes in other schemes, particularly larger schemes which provide the opportunity for a greater mix of different tenure types. The pre-submission draft Area Action Plan for Salt Cross Garden Village for example, seeks to ensure that social rented homes are provided as part of the overall mix of affordable homes.
- 5.3.10 As a matter of principle, the Council will support the provision of purpose built, build to rent properties in sustainable, accessible locations. The pre-submission draft Area Action Plan for Salt Cross Garden Village for example, makes specific provision for a potential Build to Rent scheme as part of the overall housing mix, reflecting the suitability of the location for young professionals in close proximity to Oxford.
- 5.3.11 In accordance with national policy, affordable housing for rent (referred to as affordable private rent) will be the expected form of affordable housing provision in any Build to Rent schemes that come forward in West Oxfordshire.

### *A West Oxfordshire 'Living Rent'*

- 5.3.12 In August 2020, the District Council commissioned Oxford Brookes University to undertake a study on the merits of introducing a 'Living Rent' scheme in West Oxfordshire.
- 5.3.13 A Living Rent is one which is linked to a tenant's income, meaning that more disposable income is left after paying housing costs for household essentials or, for example, saving for a deposit for a mortgage. The term is not new, it has been around since about 2015, but it has gained currency in recent years as house and rental costs have spiralled, particularly in the private sector, and new forms of 'affordable' rent for social housing have been introduced. Different rent thresholds are used but it is generally accepted that spending between 28% and 33% of median income on housing costs is seen as a 'living' rent.
- 5.3.14 The aim of the research was to provide recommendations on whether a Living Rent initiative is required with particular reference to those residents in the rent/buy gap and, if so, the structure and implementation methodology of such a model(s).
- 5.3.15 The main conclusions reached are as follows:
1. In WODC affordable rents are generally within a Living Rent range (28-33% of median wage) but not low enough to allow families in the private rental sector to save for a deposit in a reasonable timeframe.
  2. There are significant geographical differences within the District in terms of both rent levels and house prices.
  3. Introduction of a Living Rent would make accessing home ownership easier however this would be a long term process due to the high cost of houses in the district making saving for a suitable deposit still out of reach for many.
  4. Unaffordability across the District may be driven more by high house prices than rent levels.
  5. Availability of accurate data for WODC is a significant issue when calculating a suitable Living Rent level and further localised earning data is required.

5.3.16 The key recommendations from the report are:

1. In the review of the Local Plan in 2021 WODC should look to re-evaluate the current value zones applied to seeking affordable housing across the district.
2. WODC may also want to consider the amount of affordable housing sought on new developments based on the house prices and incomes differences highlighted in the report
3. WODC need to consider whether a Living Rent should be targeted at low-cost home ownership or more broadly across the rented sector
4. WODC to consider a pilot partnership with a developer / landowner /RP to test a Living Rent model.
5. WODC might look to secure a better rental product e.g. Build to Rent and look at affordable rent level differences across the district

5.3.17 On this basis, the Council proposes to take forward a pilot study as a next step forward in investigating the applicability of a living rent policy in West Oxfordshire.

### *Affordable Home Ownership*

5.3.18 In addition to rented affordable products, there are various existing and emerging forms of affordable home ownership options including starter homes, discount market housing, shared ownership, relevant equity loans, rent to buy and other low cost homes for sale including First Homes, the requirement for the provision of which came into effect from 28 June 2021.

5.3.19 In accordance with Government policy, the District Council will seek to ensure that a minimum of 25% of affordable housing units secured through developer contributions comprise First Homes.

5.3.20 In terms of other intermediate products, WODC favours the provision of shared ownership as it provides a clear route to home ownership with occupants having the opportunity to increase their equity share over time. Typically, a person acquires a minimum 10% share initially (with rent paid on the remaining proportion) and can eventually 'staircase' up to 100% ownership.

5.3.21 Other shared ownership models at higher initial purchase levels (e.g. 40%) have been supported on some developments in West Oxfordshire and developers are encouraged to consider shared ownership in their viability modelling as WODC consider it is the most accessible route to home ownership.

5.3.22 Whilst the Council's preference is for the provision of First Homes and shared-ownership properties, WODC recognises the need to offer a balanced mix of tenures on all developments and welcomes early discussions between developers and RP's to ensure a suitable blend of tenures is provided to attract the widest mix of residents.

5.3.23 This will include consideration of all relevant options including shared equity, discount market sale properties starter homes and rent to buy.

5.3.24 To illustrate the Council's approach on affordable tenure mix, several worked examples are provided below. It is important to stress that these are **examples only** with the precise tenure mix for each site to be determined on a case-by-case basis.

**Example 1 – 100 unit scheme with 50% affordable housing requirement**

– Market housing – 50 units

– Affordable housing – 50 units comprising:

- Rented affordable – 33 units (i.e. 66%)
- First Homes – 13 units (i.e. 25%)
- Other intermediate e.g. shared ownership – 4 units (i.e. 9%)

**Example 2 – 1,000 unit scheme with 40% affordable housing requirement**

– Market housing – 600 units

– Affordable housing – 400 units comprising:

- Rented affordable – 264 units (i.e. 66%)
- First Homes – 100 units (i.e. 25%)
- Other intermediate e.g. shared ownership – 36 units (i.e. 9%)

## 5.4 Rural Exception sites and First Homes Exception Sites

### *Rural Exception Sites*

5.4.1 The NPPF describes rural exception sites as follows:

*'In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.'*

5.4.2 The WODC Local Plan defines rural exception sites as land whereby affordable housing is provided in locations that would not normally be allowed for new housing and recognises that such sites may come forward as speculative 'windfall' development.

5.4.3 The Council will continue to identify suitable sites for affordable housing through rural exception sites (RES). This is reflected in Policy H3 – Affordable Housing which states that West Oxfordshire District Council and its partners will work with parish councils, registered providers of affordable housing and local housing, community land and self-build trusts to identify additional suitable rural sites for small scale affordable housing schemes to meet specific local housing needs which cannot be met in any other way.

- 5.4.4 Evidence of the scale and quantum of need for individual Rural Exception Sites will be drawn from a variety of relevant sources including where available, local/parish housing needs surveys, parish and town neighbourhood plans, and the WODC choice based letting systems which can provide details on those on the housing waiting list with a local connection or who are key workers with accommodation requirements.
- 5.4.5 In accordance with national policy, all new homes on these sites will remain affordable in perpetuity to people in housing need who have a local connection with the parish or appropriate adjoining parishes. Sites will be well-related to the existing built-up areas of towns and villages. Where family homes are proposed priority will be given to locations within a reasonable walking distance of a primary school.
- 5.4.6 In accordance with the NPPF, Policy H3 recognises that an element of market housing may be appropriate as part of the overall mix within a rural exception site. In such cases, it will be for the developer or landowner to demonstrate not only why the site is suitable for housing, but also why a traditional rural exception site approach (i.e. 100% affordable housing) is not appropriate or achievable. Any market housing will be expected to be a subsidiary element of a predominantly affordable housing scheme.
- 5.4.7 Any such proposal will be considered against the relevant policies of the Local Plan including in particular Policy OS2: Locating development in the Right Places and Policy H2: Delivery of new homes.
- 5.4.8 Neighbourhood Plans provides a further opportunity to identify small-scale affordable housing sites again potentially with an element of market housing. The District Council will work proactively with local communities to identify any such opportunities.

#### *First Homes Exception Sites*

- 5.4.9 In its Written Ministerial Statement of 24 May 2021, the Government confirmed the introduction of a First Homes Exception Sites policy to replace the previous Entry Level Exception Site policy referred to in paragraph 72 of the NPPF.
- 5.4.10 First Homes exception sites should be on land which is not already allocated for housing and should:
- a) comprise First Homes (as defined in the Government's Written Ministerial Statement)
  - b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in the National Planning Policy Framework, and comply with any local design policies and standards.
- 5.4.11 In accordance with Government policy, the District Council will support the development of First Homes exception sites subject to consideration of whether the need for such homes is already being met within the District.
- 5.4.12 In considering any such proposal, the Council will take into account relevant policy considerations including in particular Policies OS2 and H2 of the West Oxfordshire Local Plan 2031.

- 5.4.13 A small proportion of market homes may be allowed on any First Homes exception sites at the Council's discretion, for example where essential to enable the delivery of First Homes without grant funding. Also, a small proportion of other affordable homes may be allowed where there is significant identified local need.
- 5.4.14 In accordance with Government policy, First Homes exception sites will not be able to come forward within those parts of the District which fall within the Cotwolds Area of Outstanding Natural Beauty (AONB). Here, Rural Exception Sites (RES) will remain the only type of exception site which is able to come forward.

## 5.5 Self-build and custom-build housing

- 5.5.1 The NPPF defines self-build and custom-build housing as '*housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual*'. Such housing can be either market or affordable housing<sup>17</sup>.
- 5.5.2 The Government is supportive of custom build housing which it sees as a more affordable route to home ownership and an opportunity to create bespoke, well-designed and sustainably constructed new homes. It also offers the opportunity for small local builders and contractors creating local jobs and contributing to the local economy.
- 5.5.3 West Oxfordshire District Council maintains a self-build register where those wishing to express an interest in self and custom build can register. The register allows the District to gauge the level of demand locally and the type of route they are interested in e.g. serviced plot, self-finish, custom build etc. and examine how many meet the locally applied criteria. These criteria include local connection, future occupation as sole residence, financial capability etc.
- 5.5.4 There is a clear level of interest in self-build and the Council is keen to promote greater diversity in the local housing stock, innovative design and more affordable and sustainable construction.
- 5.5.5 In addition to maintaining an accurate picture of need/demand for self and custom build within West Oxfordshire, the Local Plan 2031 outlines a number of other measures which the Council will pursue in order to encourage such provision. These include:
- Offering support and advice to those wishing to undertake a custom/self-build project in the District;
  - Working with individuals and self-build groups to help identify suitable and deliverable sites including through the development of Neighbourhood Plans; and
  - Endeavouring to offer a suitable plot to those individuals/organisations within a reasonable period of time.

<sup>17</sup> NPPF Annex 2: Glossary

- 5.5.6 Whilst custom and self-build housing can be a cheaper option than mainstream housing this is not always the case and given the relatively high land and property prices that exist in West Oxfordshire, the District Council will endeavour to ensure that a range of affordable self and custom-build opportunities are made available. The possibility of self-build being used to meet the District's affordable housing need is recognised at paragraph 5.66 of the Local Plan.
- 5.5.7 The Council will therefore use financial contributions secured towards affordable housing to acquire land in order to promote affordable custom/self-build projects within the District<sup>18</sup>.
- 5.5.8 In addition, on larger development schemes of 100 or more dwellings where there is a requirement for 5% of the residential plots to be serviced and made available for the purpose of custom and self-build housing, the Council will explore with developers whether there is scope for some or all of the 5% self/custom build to contribute towards the relevant on-site affordable housing requirement for that site.
- 5.5.9 Whilst this is not a specific requirement of Local Plan Policy H3 – Affordable Housing or Policy H5 – Custom and Self-Build Housing, the Council will seek to further explore this possibility with developers and registered providers. Examples might include a serviced plot which is made available for the purpose of self-build being discounted from the full market value or a self-finish property being provided by a housing association and sold at below market value or on a shared-ownership basis.
- 5.5.10 The Council will also encourage the re-use of existing buildings through custom/self-build projects and welcome submissions from groups and individuals for the conversion / re-purposing of existing buildings.

<sup>18</sup> West Oxfordshire Local Plan paragraph 5.124

# 6.0 Affordable Housing Standards and Design Requirements

- 6.0.1 Design Standards for affordable housing should be no lower than that for market housing and should be tenure blind i.e. not distinguishable by its external appearance. Housing supplied for a Registered Provider should be constructed to the standards approved by the RP and it is critical that the design process recognises at an early stage the need to accommodate a mix of affordable tenures.
- 6.0.2 This mix must meet the needs of, and be attractive to, RP's and applicants are encouraged to undertake early discussions with RP's, considering alternative designs where necessary in order to accommodate on site the affordable housing requirement. When designing new homes, developers should adhere to the Housing Act, ensuring that designs can accommodate suitable furniture in order to avoid overcrowding.

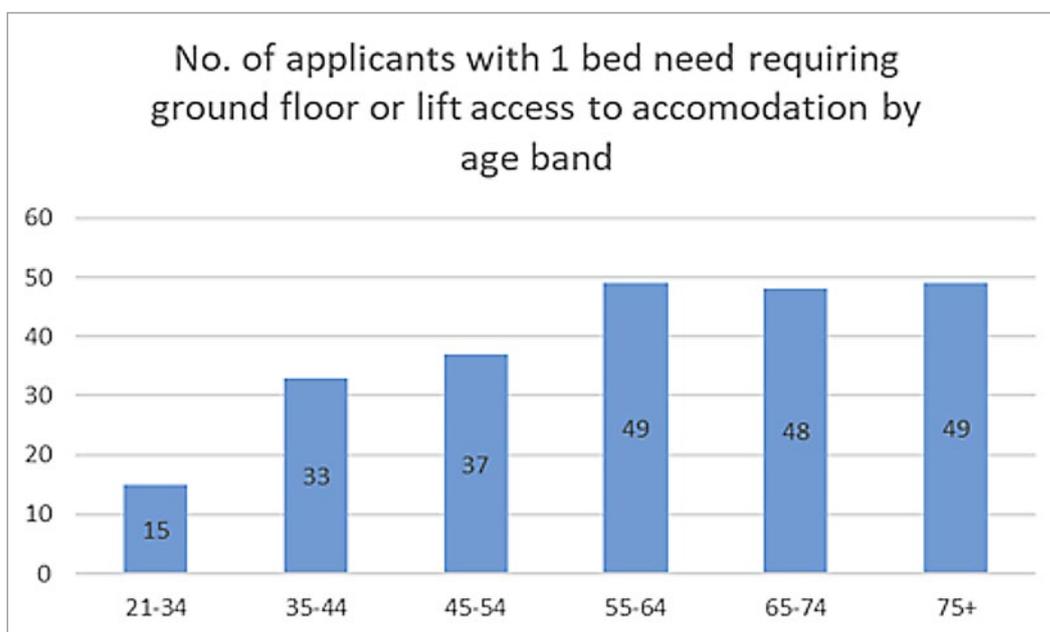
## 6.1 Design criteria

- 6.1.1 In order to achieve mixed and balanced communities, each development should look to meet the following design criteria:
- there should be no distinction between affordable units and market units, i.e. the development should be 'tenure blind';
  - the same level of parking provision should be made for the affordable housing units as for market units<sup>19</sup>, and;
  - affordable units should be distributed evenly in clusters throughout the development where practicable to promote social inclusion and mixed communities. The exception to this is in relation to the design and provision of housing for older people and developers will need to demonstrate why a deviation is required when seeking approval.

<sup>19</sup> Regard should also be had to the District Council's Sustainability Standards Checklist which requires consideration of EV charging in line with the requirements of the Oxfordshire Electric Vehicle Infrastructure Strategy (OEVIS) – see Section 6.4 below.

## 6.2 Accessibility and adaptability

- 6.2.1 The Local Plan identifies a requirement for housing to meet the needs of different groups in the community including specialist housing provision such as housing for older people including sheltered and extra-care as well as housing for people with other specific needs including those with a disability and others who may have particular needs and requirements.
- 6.2.2 The Oxfordshire SHMA (2014) suggests that across Oxfordshire demographic trends are expected to lead to a growth in the number of households with disabilities and will seek to ensure that new homes are able to meet the changing needs of occupants as their needs change to enable them to remain in their homes as they age.
- 6.2.3 In recognition of this, under the Local Plan, the Council will require larger housing developments of 50 or more units to provide at least 25% of market and affordable homes to meet Building Regulations Requirements M4(2)<sup>20</sup> in relation to accessible and adaptable housing.
- 6.2.4 In addition, a minimum of 5% of market and affordable homes should be designed to meet Building Regulation Requirement M4(3) relating to wheelchair adaptability. Where wheelchair adaptable homes are provided they will be counted as contributing towards the 25% accessible and adaptable homes requirement.
- 6.2.5 Developers will be required to ensure that ceilings are strong enough to support track hoists and to allow stairlifts to be fitted where there is a need.
- 6.2.6 Furthermore, data from the WODC Homeseeker+ register shows an increasing demand for either lift access or ground floor properties increasing with age and developers are encouraged to consider this need when designing new developments.



<sup>20</sup> <https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m>

## 6.3 Space standards

6.3.1 In March 2015 the Government set out the nationally described space standards for new housing<sup>21</sup>. The guidelines set out the gross internal floor area for new dwellings at a defined level of occupancy as well as dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height. Whilst it is not a policy requirement of the Local Plan, the Council supports the use of this guidance and encourages developers to apply these as a minimum when designing new homes.

## 6.4 Tackling the Climate and Ecological Emergency

6.4.1 WODC has declared a climate and ecological emergency. In the wake of that emergency, as part of a suite of overall measures, the Council now expects developers and applicants to take an ambitious approach towards energy and sustainable design to ensure new homes being delivered in West Oxfordshire are fit for the future.

6.4.2 Core objective 18 (CO18) of the Local Plan for example aims to *'improve the sustainable design and construction of new development, including improving energy, water efficiency and water management'*.

6.4.3 This is reflected in a number of Local Plan policies including Policy OS3 – Prudent Use of Natural Resources which requires all development proposals (including affordable housing) to show consideration of the efficient and prudent use and management of natural resources through various means including:

- Making the most efficient use of land and buildings;
- Minimising the need to travel;
- Minimising the use of non-renewable resources;
- Minimising impact on the soil resource;
- Minimising energy demands and energy loss;
- Minimising summer solar gain, maximising passive winter solar heating, lighting, natural ventilation, energy and water efficiency and reuse of materials;
- Maximising resource efficiency, including water with all new residential development will be expected to achieve the optional building regulations requirement for water efficiency of 110 litres/person/day;
- Minimising risk of flooding;
- Making use of appropriate sustainable drainage systems;
- Using recycled and energy efficient materials; and
- Minimising waste and making adequate provision for the re-use and recycling of waste and causing no deterioration and, where possible, achieving improvements in water or air quality.

<sup>21</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/524531/160519\\_Nationally\\_Described\\_Space\\_Standard\\_\\_\\_\\_Final\\_Web\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard____Final_Web_version.pdf)

- 6.4.4 Policy EH6 - Decentralised and renewable or low carbon energy development (excepting wind turbines) states that for all residential development for 100 dwellings or more and all residential developments in off-gas areas for 50 dwellings or more, that an energy feasibility assessment or strategy which assesses viability and practicability for decentralised energy systems, including consideration of the use of local wood fuel biomass and other renewable energy initiatives will be required.
- 6.4.5 Where feasibility assessments demonstrate that decentralised energy systems are practicable and viable, such systems will be required as part of the development, unless an alternative solution would deliver the same or increased energy benefits.
- 6.4.6 The Local Plan includes a range of other policies relating to the climate and ecological emergency including policies on biodiversity, green infrastructure, transport, flood risk, environmental protection and so on.
- 6.4.7 The Council will expect all applicants to take full consideration of these policy requirements and demonstrate, within their planning application, how the design of new affordable homes is consistent with the aims, objectives and where applicable, specific requirements of each policy.

### *Sustainability Standards Checklist*

- 6.4.8 The District Council has a Sustainability Standards Checklist<sup>22</sup> which complements the Local Plan 2031 and seeks to ensure that sustainability is a key consideration from the early stages of the design process, forming a 'golden thread' that runs through the development, linking water use and flood risk, biodiversity and green infrastructure, green and active travel, net-zero carbon, sustainable construction, materials and waste.
- 6.4.9 There are two versions of the checklist, one for larger development proposals of 10 or more dwellings and one for more minor and householder applications and applications will be expected to be accompanied by a Sustainability Statement explaining how the proposed development will fulfil the various requirements of the checklist.

### *Net Zero Carbon Toolkit*

- 6.4.10 In addition to the Sustainability Checklist, the Council has published a Net Zero Carbon Toolkit<sup>23</sup> working in collaboration with Cotswold District Council and Forest of Dean District Council. The toolkit has been produced by leading technical experts from Etude, the Passivhaus Trust, Levitt Bernstein and Elementa Consulting.
- 6.4.11 The toolkit is aimed primarily at small or medium-sized house builders, architects, self-builders and consultants and covers a range of steps - from pre-planning right through to construction and provides practical design advice for delivering net-zero carbon, low-energy homes.

<sup>22</sup> <https://www.westoxon.gov.uk/planning-and-building/planning-permission/make-a-planning-application/sustainability-standards-checklist/>

<sup>23</sup> <https://www.westoxon.gov.uk/environment/climate-action/how-to-achieve-net-zero-carbon-homes/>

- 6.4.12 The Council is committed to working in partnership with developers/landowners to support the wide-scale delivery of affordable housing designed to exemplary standards of environmental sustainability. This will include discussions around scope to deliver high standards of ultra-low energy homes fabric, the use of renewable energy and ways in which embodied carbon can be reduced through, for example, the use of modern methods of construction (see Section 6.5 below). House builders looking to accelerate the roll out of net-zero carbon standards as affordable housing exemplar schemes within the district are actively encouraged by the Council.
- 6.4.13 Nationally, there are a number of award winning affordable housing schemes, the most notable being the Goldsmith Street for Norwich City Council, a 100% affordable housing scheme which has been built to Passivhaus standards.
- 6.4.14 Further advice and guidance on the Sustainability Standards Checklist and Net Zero Carbon Toolkit can be obtained from the District Council's Climate Change Manager in the first instance and applicants are encouraged to discuss their proposals at the earliest stage.

## 6.5 Modern Methods of Construction (MMC)

- 6.5.1 Modern methods of construction (MMC) are homes built using a high proportion of components produced using modern and technologically driven methods of manufacture off site and then assembled on site.
- 6.5.2 Such homes can be built up to 30% quicker than by traditional methods of construction, and with potentially a 25% reduction in costs. Studies have also suggested that MMC can reduce embodied carbon by around 30% compared with traditional methods of construction.
- 6.5.3 Other potential benefits include:
- Reduced site waste and disposal;
  - Improved quality from factory production;
  - Clear stages for inspection to address issues such as thermal bridging and airtightness; and
  - Typically lightweight – potential to build adjacent to or over existing buildings to make the most efficient use of land.
- 6.5.4 WODC therefore very much welcomes the use of modern methods of construction including off site construction as a delivery mechanism to increase the speed of delivery and quality of new homes in the district and would welcome discussions with potential developers, applicants and registered providers on this basis.

# 7.0 Viability

## 7.1 Approach to viability considerations in West Oxfordshire

- 7.1.2 The provision of affordable housing will affect the value of land for residential development but will not generally render it uneconomic for residential development. The costs of delivering a workable, high quality development should be anticipated and reflected in the price paid for land and not reduce the ability of a site to provide what is required under the planning obligation.
- 7.1.3 This is reflected in the Government's practice guidance on viability which states that the total cost of all relevant policy requirements including contributions towards affordable housing should be taken into account when defining benchmark land values<sup>24</sup>.
- 7.1.4 Policy H3 of the Local Plan has been subject to viability assessment through the preparation of the Local Plan 2031 and is a known requirement of residential development in West Oxfordshire. As such, there will be a presumption that developments will include full and appropriate provision for affordable housing unless it can be robustly demonstrated otherwise.
- 7.1.5 This is consistent with the Government's practice guidance on viability which states that 'where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable'<sup>25</sup>.
- 7.1.6 On this basis, it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.

<sup>24</sup> Viability Planning Practice Guidance - Paragraph: 012 Reference ID: 10-012-20180724

<sup>25</sup> Viability Planning Practice Guidance - Paragraph: 007 Reference ID: 10-007-20190509

- 7.1.7 In such instances, the onus is on the developer to demonstrate viability providing a full economic appraisal of the cost of development including returns from sale of housing, contribution to local infrastructure and services and required profit margin. The appraisal should be presented on a residual land value basis and include a valuation of the site in its current use, not the purchase price or hope value, and should accompany the planning application or form part of the pre-application discussions.
- 7.1.8 In accordance with the Government's viability practice guidance, where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the Local Plan; and the applicant should provide evidence of what has changed since then.
- 7.1.9 Any viability assessment should reflect the government's recommended approach to [defining key inputs](#) as set out in National Planning Guidance.
- 7.1.10 Where the Council requires independent advice to validate a viability appraisal, the cost will be borne by the applicant.
- 7.1.11 Where the Council is satisfied that viability would be jeopardised by full provision of affordable housing it will consider supporting external subsidy to enable full provision. Consideration will also be given to altering the mix including size and tenure in accordance with Policy H3.
- 7.1.12 As a last resort the number of affordable dwellings sought will be reduced to make the development viable.

# 8.0 Delivery Mechanisms

## 8.1 S106 agreements

8.1.1 The Council will generally expect affordable housing to be secured by a S106 agreement. The Heads of Terms of any agreement will need to be established before determination of a planning application the cost of which will be borne by the applicant. An example of a standard S106 agreement can be found in **Appendix 3**. It should be noted that this is an example and is provided for guidance only. Individual heads of terms will need to be agreed for each development.

## 8.2 Timing of provision

8.2.1 Affordable housing should be provided at the same time as open market housing on a site to ensure that there is no imbalance in the supply of affordable housing in the creation of new communities. Developments that seek to delay provision of affordable housing to the end of the development will not be considered favourably.

8.2.2 Where infrastructure may be substantial the Council may permit the sale of an agreed percentage of market homes before the sale or transfer of affordable homes with the remainder to be provided in tranches alongside the market housing.

8.2.3 However no development should commence until the affordable housing scheme has been approved and a contract entered into with a Registered Provider and a copy of the contract provided to the Council.

## 8.3 Occupancy:

### *Nomination and allocation*

8.3.1 All applicants seeking social housing will complete the same process and will be assessed against the same clear set of criteria. Depending on their circumstances, applicants will be placed into one of four bands Emergency, Gold, Silver or Bronze. Local connection will be applied to the majority of vacancies to help each local authority meet their housing demand or where it is a legal requirement.

8.3.2 Once a successful application has been made, applicants are advised of their banding and application date, together with details of how to access the Choice Based Lettings (CBL) system. This enables them to bid for affordable housing vacancies being advertised in West Oxfordshire.

### *Homeseeker Plus*

8.3.3 West Oxfordshire District Council is one of seven local authorities that operate Homeseeker Plus, a CBL scheme run in partnership with the Social Housing Landlords operating within West Oxfordshire. Affordable homes made available for rental tenures in the district are allocated using this scheme.

- 8.3.4 Homeseecker Plus enables Social Housing landlords to advertise their homes and applicants are asked to bid for them. The majority of social rented housing vacancies are advertised as per local nomination agreements, however social housing landlords may choose to apply their own published allocation policies. WODC will require Registered Providers to enter a Service Level Agreement for advertising and nominating homes through the Homeseecker Plus scheme.
- 8.3.5 Once a bid is placed the computer system will place applicants in order of band, and whether they meet the criteria of the advert. Priority for properties goes to those who have a local connection with the local authority in which the property is located, then to those who have a local connection with any of the other Homeseecker Plus districts and finally to anyone else. Responsibility for letting each available property lies with the Social housing landlord. An application for sheltered and extra care housing for certain schemes may need an assessment of the support needs, prior to an offer being made.

#### **8.4 Essential Local Workers (otherwise referred to as Key Workers)**

- 8.4.1 The NPPF defines 'essential local workers' as including 'Public sector employees who provide frontline services in areas including health, education and community safety – such as NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers'.
- 8.4.2 The NPPF definition of affordable housing includes housing that provides a subsidised route to home ownership and/or is for essential local workers.
- 8.4.3 WODC recognises that housing affordability is critical to attracting and retaining essential local workers/key workers in the district and participates in ongoing collaboration with Oxfordshire County Council in identifying and promoting opportunities for key worker accommodation. Oxfordshire County Council has published a document 'Finding A Home In Oxfordshire – A Guide For Key Workers'<sup>26</sup>
- 8.4.4 Furthermore, WODC recognises that in addition to the health, education, emergency, police and military services traditionally associated with key workers, the definition should be expanded and not limited. Key workers can be employed in commercial, industrial, public bodies, care, farming/agricultural and transport industries as examples. Enabling people to live close to their place of work may also be considered a reason to award Key / Essential Worker status.
- 8.4.5 The Council seeks to attract investment and as a place for new businesses to grow. As part of the Oxford-Cambridge Innovation Arc future concentration of investment and growth is anticipated. Key workers are vital to the economic success of the district.
- 8.4.6 WODC is supportive of, and will seek, innovative methods to bring forward proposals to provide key worker accommodation and offer assistance in facilitating liaison with key contacts.

<sup>26</sup> <https://www.oxfordshire.gov.uk/sites/default/files/file/adult-social-and-health-care/FindAHomeInOxfordshire.pdf>

- 8.4.7 Legal agreements and supplementary documents such as Local Lettings Plans are suggested as platforms for promoting key worker accommodation on agreed schemes. Applicants to the Council's Choice Based Lettings system may be awarded a prioritised classification if they can demonstrate their Key / Essential Worker status. It is expected that those applying for key worker will be expected to meet other qualifying criteria for affordable housing.
- 8.4.8 Where new affordable homes are provided on the basis of them being made available to essential local workers/key workers, the District Council will take this into account in discussions with the developer/applicant and Registered Providers in determining the most appropriate tenure mix.

## **8.5 Housing Options for Members of the Armed Services**

- 8.5.1 West Oxfordshire District Council supports the Oxfordshire Armed Forces Community covenant<sup>27</sup>. We administer the waiting list for all housing association properties that are situated in West Oxfordshire and applications are prioritised according to housing need. Serving members of the Armed Forces are eligible to register on the list, they do not need to have a local connection to West Oxfordshire but if they do, their application will have more priority.
- 8.5.2 Former members of the Armed Forces are also eligible to register on the housing waiting list if they have a local connection to West Oxfordshire. However, even if there is no local connection, former Armed Forces members can register within five years from their date of discharge from the Forces.
- 8.5.3 Bereaved spouses or civil partners of those serving in the regular forces are also eligible to register where (i) the bereaved spouse or civil partner has recently ceased, or will cease to be entitled, to reside in Ministry of defence accommodation following the death of their service spouse or civil partner, and (ii) the death was wholly or partly attributable to their service.
- 8.5.4 Existing or former members of the reserve forces who are suffering from a serious injury, illness, or disability which is wholly or partly attributable to their service are also eligible.

## **8.6 Community-led housing**

- 8.6.1 WODC is supportive of Community Led Housing Initiatives and has a long standing tradition of supporting this type of housing delivery. Stonesfield Community Land Trust in West Oxfordshire is one of the first CLT's in the country and has been supported by WODC to deliver a number of affordable housing schemes within the village since 1983. WODC is currently working with other local groups interested in delivering community led schemes in the district.
- 8.6.2 These schemes are set up and run by a local, independent, not-for-profit organisation which has often been specifically created for the purpose of building affordable homes for the community.
- 8.6.3 This can be a collection of individuals, a parish or town council, a developer or a registered provider looking to work in partnership with the community initially by providing a site and offering further support as the development progresses.

<sup>27</sup> <https://www.westoxon.gov.uk/housing/housing-advice/armed-forces-housing-options/>

- 8.6.4 The organisation will ensure homes for rent, sale or shared ownership remain affordable for local people. The housing is usually developed by, with and for the community and the community group have the opportunity to develop skills and expertise along the way.
- 8.6.5 Community-led housing is highly flexible depending on the type of scheme required such as co-housing; self-help housing; Community Land Trusts and co-operative and resident-controlled housing.

#### *What Issues can Community-led Housing Tackle?*

- 8.6.6 Community-led housing can involve market sale, discount market sale, shared ownership, market rent, affordable rent, rent to buy or a combination of these. This way it can empower local communities, making them more resilient and able to address issues and groups such as affordability; downsizing; an ageing population; first time buyers and fuel poverty.

#### *What are the guidelines for Community-led Housing?*

- 8.6.7 Community-led housing proposals should ensure that:
- Meaningful community engagement and consent occurs throughout the development process. The community does not necessarily have to initiate and manage the process, or build the homes themselves
  - The local community group or organisation owns, manages or stewards the homes in a manner of their choosing. This may be done through a mutually supported arrangement with a registered provider that owns the freehold or leasehold for the property
  - The benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity

#### *Models of Community-Led Housing*

**Community Land Trusts (CLTs)** – a form of community-led Housing, set up and run by people to develop and manage homes as well as other assets. They act as long-term stewards of land and housing. In this model they may delegate the development work and/or management of the asset to a project partner such as a housing association or the CLT may become a registered provider itself. For more information visit the National CLT Network<sup>28</sup>.

**Co-housing** – groups of self-contained dwellings with the benefit of shared additional facilities all managed by a group. The facility may be a large kitchen where group meals are shared or a hall where meetings and classes may be hosted. It can be a communal garden facility. For more information visit UK Cohousing<sup>29</sup>.

**Co-operatives** – a form of community-led housing where it is built (or renovated) and managed by members of a group with democratic collective control to influence the scheme and its management. The tenure would be shared ownership or affordable rent. For more information visit The Confederation of Co-operative Housing<sup>30</sup>.

<sup>28</sup> <http://www.communitylandtrusts.org.uk/>

<sup>29</sup> <https://cohousing.org.uk/>

<sup>30</sup> <https://www.cch.coop/>

**Community Custom and Self-Build** – where an individual or an association of individuals, or persons working with or for individuals or associations of individuals, build or complete houses to be occupied as homes by those individuals. For more information visit the National Custom and Self build Association<sup>31</sup>.

8.6.8 For more information about Community Led Housing in WODC please see the council web pages<sup>32</sup>

## 8.7 Supported Living

- 8.7.1 ‘Supported living’ provides support to help people live as independently as possible. It includes various accommodation options and can be suitable for a variety of different people including older people, adults with learning/physical disabilities or sensory problems, mental health problems and adults and young people with a disability who have spent time in residential care and are moving towards independent living or [transitioning to adulthood](#).
- 8.7.2 Policy H4 of the Local Plan (Type and Mix of New Homes) provides in principle support for the provision of specialist housing including for older people as well as those with a disability.
- 8.7.3 Oxfordshire County Council has produced a Market Position Statement<sup>33</sup> for care services in Oxfordshire aimed at existing and potential providers of care homes, home support, mental health services, Extra Care Housing, Supported Living, employment and daytime opportunities, and any other care services.
- 8.7.4 It highlights a number of specific priorities and future requirements in respect of extra-care housing, care homes and supported living including a significant shortage of accommodation for those with a learning disability and/or autism.
- 8.7.5 The District Council will therefore work closely with Oxfordshire County Council and developers/applicants and RPs to consider the provision of such specialist accommodation as part of the overall mix of market and affordable homes on residential schemes within West Oxfordshire. This will include discussions in respect of the nominations process for extra-care housing.

<sup>31</sup> <https://nacsba.org.uk/>

<sup>32</sup> <https://www.westoxon.gov.uk/housing/community-led-housing/>

<sup>33</sup> <https://www.oxfordshire.gov.uk/sites/default/files/file/adult-social-and-health-care/OxfordshireMPS2019-22.pdf>

## 9.0 New routes to delivery

9.0.1 West Oxfordshire District Council is interested in working in partnership with our neighbouring Oxfordshire Local Authorities and local landowners to accelerate the delivery of affordable housing in the District. Through potential partnership arrangements we will seek to establish a pipeline of suitable sites for development and look to increase the speed with which new homes can be constructed for the residents of West Oxfordshire.

### 9.1 Blenheim approach

9.1.1 WODC has a longstanding partnership with Blenheim Estate and has been working closely with Blenheim on an innovative model for delivering an increased level of affordable housing at between 60 – 80% of market rental costs. This model has been successfully implemented in Long Hanborough and will also be offered on their other sites for development in Woodstock. It is the intention of Blenheim to retain ownership of the rental properties so they can be held in perpetuity for local people, especially those within the key worker categories. Shared ownership properties are also available under the model and residents can staircase up to 100% ownership with Blenheim having first refusal on purchase if the properties subsequently come to the market.

9.1.2 All allocations for affordable housing properties are handled through WODC's Homeseeker Plus team for affordable rent and Help to Buy South<sup>34</sup> for shared ownership.

### 9.2 Partnerships with legacy landowners

9.2.1 WODC is also interested in partnering with other legacy landowners to accelerate delivery of affordable housing in the district and would welcome discussions with those landowners who are considering development as part of their long term legacy planning. Rural exception sites that would help meet the affordable housing needs of our smaller rural settlements are particularly of interest. Please contact the Strategic Affordable Housing Team for further discussion.

<sup>34</sup> <https://www.helptobuyagent3.org.uk/>

# 10.0 Oxfordshire Housing and Growth Deal

- 10.1 In 2017 Oxfordshire's six local authorities together with the Oxfordshire Local Enterprise Partnership began collaboration with the Government (Oxfordshire Housing and Growth Deal).
- 10.2 As part of this collaboration, Oxfordshire received £215 million of new funding to support provision of 100,000 new homes in Oxfordshire by 2031.
- 10.3 Of this total, £150 million focuses on infrastructure to help accelerate delivery of these new homes.
- 10.4 It also includes £60 million for a bespoke programme to deliver at least 1320 additional affordable homes by March 2021 (named the Oxfordshire Affordable Housing Programme) although this has now been extended to March 2022 – see below. This fund is additional to the existing Homes England Affordable Homes Programme which is ongoing and will continue alongside it.
- 10.5 Whilst use of the Growth Deal funding will not be a material consideration in planning applications, it is intended that it will help facilitate additional affordable housing to that secured through legal agreements.
- 10.6 By releasing its funds early in the development process, it is intended that Growth Deal becomes attractive to developers in the financing of their schemes.

## *Future West Oxfordshire Affordable Housing Programme*

- 10.7 The Oxfordshire Housing and Growth Deal will work to secure further public and private funding to support the ambition of providing 100,000 new homes by 2031.
- 10.8 Post COVID-19 pandemic, an extension to the Growth Deal program to include a 4th year has now been agreed. Additionally, through collaboration and use of grant funding, West Oxfordshire District Council seeks to establish a lasting programme that will, via a pipeline of schemes, strategic partnerships and innovative delivery vehicles, provide a material uplift in the level of new affordable housing in Oxfordshire and seek to increase the pace of its delivery.

# 11.0 Monitoring and Review

- 11.1 The delivery of affordable housing will be monitored in the Council's Annual Monitoring Report and reported on through the Council's annual Infrastructure Funding Statement (IFS).

# Glossary

**Affordable Housing** Housing for sale or rent, for those whose needs are not met by the market.

**Affordable Rent** A form of affordable housing where the rent is set at up to 80% of market rent (including service charges).

**Annual Monitoring Report (AMR)** An annual report setting out information on the implementation of planning policies in West Oxfordshire, typically published at the end of each calendar year.

**Broad Rental Market Area (BRMA)** Broad Rental Market Area (or BRMA) boundaries are used to determine Local Housing Allowance (LHA) rates (see below).

**Build to Rent** Purpose built housing that is typically 100% rented out.

**Discount Market Housing** Affordable Housing which is wholly owned by the occupier but is always sold at a discount on full market price.

**Essential Local Worker** Public sector employees who provide frontline services in areas including health, education and community safety – such as NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers.

**First Homes** A specific kind of discounted market sale housing which must be discounted by a minimum of 30% against the market value and sold to a person or persons meeting the First Homes eligibility criteria.

**Homeseeker+** West Oxfordshire District Council's register of residents seeking affordable housing. Residents are required to register with Homeseeker+ to be eligible to apply for affordable housing units that become available within the district.

**Infrastructure Funding Statement (IFS)** An annual report produced by local authorities setting out information on developer contributions secured and spent within the previous financial year.

**Intermediate Housing** Affordable Housing which is wholly or partly owned by the occupier but acquired at below full market price. Shared Ownership and Discount Market Sale are types of intermediate housing.

**Living Rent** A Living Rent is one which is linked to a tenant's income, meaning that more disposable income is left after paying housing costs for household essentials or, for example, saving for a deposit for a mortgage.

**Local Housing Allowances (LHA)** Used to calculate housing benefit for tenants renting from private landlords.

**Nominations Agreement** An agreement between the Council and a Registered Provider of affordable housing which allows the Council to specify key criteria for the occupiers of the housing.

**National Planning Policy Framework (NPPF)** Sets out government's planning policies for England and how these are expected to be applied.

**Planning Practice Guidance (PPG)** Additional guidance published by the Government to support the NPPF (see above).

**Registered Provider** The term 'Registered Providers' includes both private registered providers of social housing (mainly housing associations) and local authorities that are registered with the Regulator<sup>35</sup> of Social Housing. Registered Providers

**Rent to Buy** A scheme to help first time buyers, or those returning to the market following relationship breakdown. Households are able to rent a home at an affordable or intermediate rent, providing an opportunity to build up a deposit.

**Rural Exception Sites** Small sites used for affordable housing in perpetuity where sites would not normally be used for housing.

**Section 106 agreement** A form of planning obligation to assist in mitigating the impact of unacceptable development to make it acceptable in planning terms.

**Self and custom build housing** Housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual.

**Shared Ownership** Affordable housing which is part owned by the occupier who also pays rent on the remainder of the property, usually a Registered Provider.

**Shared equity** The purchaser acquires the whole of the property but effectively only pays a proportion of the value, e.g. 75%. The remaining 25% is secured by an equity loan without any rental obligation.

**Social Rent** Housing owned and managed by registered providers, for which target rents are determined through the Government's rent policy for Social Rent.

**Supplementary Planning Document (SPD)** A document that supplements and elaborates policies and proposals in the Local Plan document.

**West Oxfordshire Local Plan 2031** Sets out the future planning framework for West Oxfordshire in the period 2011 – 2031.

<sup>35</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/801982/Becoming\\_a\\_registered\\_provider.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/801982/Becoming_a_registered_provider.pdf)

# Appendix 1 – Policy H3 Affordable housing

In order to address identified affordable housing needs, the Council will require 'qualifying' market housing schemes to make an appropriate contribution towards the provision of affordable housing within the District.

Within the Cotswolds AONB, housing schemes of 6-10 units and which have a maximum combined gross floorspace of no more than 1,000m<sup>2</sup> will be required to make a financial contribution towards the provision of affordable housing off-site within the District. This commuted sum will be deferred until completion of the development to assist with viability.

Across the District as a whole, housing schemes of 11 or more units or which have a maximum combined gross floorspace of more than 1,000m<sup>2</sup> will be required to provide affordable housing on-site as a proportion of the market homes proposed as follows:

- High value zone (50%)
- Medium value zone (40%)
- Low value zone (35%)

The following levels of affordable housing provision will be applied in relation to sheltered housing and extra-care housing: Sheltered housing

- High value zone (50%)
- Medium value zone (40%)
- Low value zone (35%)

Extra-care housing

- High value zone (45%)
- Medium value zone (35%)
- Low value zone (10%)

In circumstances where it can be demonstrated that the level of affordable housing being sought would make a scheme unviable, a revised mix and type of housing will be considered before a lower level of affordable housing provision is accepted.

Where external funding is available it may be applied to schemes to ensure affordability of rental levels or to increase the number or to change tenure or type of homes to meet priority needs.

Affordable housing mix and tenure will be responsive to identified local needs and site specific opportunities. A financial contribution for the provision of affordable housing on other sites in West Oxfordshire in lieu of on-site provision may be appropriate if it can be demonstrated that:

- It is not physically possible or feasible to provide affordable housing on the application site; or
- There is evidence that a separate site would more satisfactorily meet local housing need and contribute to the creation of mixed communities.

In some instances, a combination of on-site provision and a financial contribution may be appropriate.

West Oxfordshire District Council and its partners will work with parish councils, registered providers of affordable housing and local housing, community land and self-build trusts to identify additional suitable rural sites for small scale affordable housing schemes to meet specific local housing needs which cannot be met in any other way. All new homes on these sites will remain affordable in perpetuity to people in housing need who have a local connection with the parish or appropriate adjoining parishes. Sites will be well-related to the existing built-up areas of towns and villages. Where family homes are proposed priority will be given to locations within a reasonable walking distance of a primary school.

The Council will consider the inclusion of an element of market housing in rural exception sites (RES) provided it is demonstrated to be necessary to delivery (eg. by subsidising the affordable element). In such cases, any market housing would be expected to be a subsidiary element of a predominantly affordable housing scheme.

# Appendix 2 – Useful Contacts

West Oxfordshire District Council, Elmfield, New Yatt Road, Witney, Oxon OX28 1PB  
<https://www.westoxon.gov.uk>

**Strategic Housing Manager** – for information on housing need and types of affordable housing

**Planning Policy Manager** – for general planning advice

**Area Planning Manager** – for site specific and pre-application advice.

Planning: 01993 861420

Email: [planning@westoxon.gov.uk](mailto:planning@westoxon.gov.uk)

## Registered Providers

Cottsway Housing Association, Cottsway House, Heynes Place, Avenue Two, Witney, Oxfordshire, OX28 4YG	Tel: 01993 890000 Web: <a href="http://www.cottsway.co.uk">www.cottsway.co.uk</a>
Sovereign, Woodlands, 90 Bartholomew Street, Newbury, RG14 5EE	Tel: 0300 5000 926 Web: <a href="http://www.sovereign.org.uk">www.sovereign.org.uk</a>
Clarion Housing, Level 6, 6 More London Place, Tooley Street, London, SE1 2DA	Tel: 0300 500 8000 Web: <a href="http://www.clarionhg.com">www.clarionhg.com</a>
Aster Group, Sarsen Court, Horton Avenue, Cannings Hill, Devizes, Wiltshire, SN10 2AZ	Tel: 0333 400 8222 Web: <a href="http://www.aster.co.uk">www.aster.co.uk</a>
Sanctuary Housing Association, Chamber Court, Castle St, Worcester, WR1 3ZQ	Tel: 0800 131 3348 Web: <a href="http://www.sanctuary-housing.co.uk">www.sanctuary-housing.co.uk</a>
GreenSquare, Methuen Park, Chippenham, Wiltshire, SN14 0GU	Tel: 01249 465465 Web: <a href="http://www.greensquaregroup.com">www.greensquaregroup.com</a>
SOHA, Royal Scot House, 99 Station Rd, Didcot, OX11 7NN	Tel: 01235 515900 Web: <a href="http://www.soha.co.uk">www.soha.co.uk</a>
Sage Housing, Orion House, 5 Upper St Martin's Ln, West End, London, WC2H 9EA	Tel: 020 3369 0431 Web: <a href="http://www.sagehousing.co.uk">www.sagehousing.co.uk</a>
Platform Housing Group, 1700 Solihull Parkway, Birmingham Business Park, Solihull, B37 7YD	Tel: 0333 200 7304 Web: <a href="http://www.platformhg.com">www.platformhg.com</a>
Stonewater Housing Association, Montpelier House, Southbank Rd, Kenilworth, CV8 1LA	Tel: 01926 859857 Web: <a href="http://www.stonewater.org">www.stonewater.org</a>
Hanover, The Heal's Building, Suites A&B, 3rd Floor, 22–24 Torrington Place, London, WC1E 7HJ	Tel: 0800 731 2020 Web: <a href="http://www.anchorhanover.org.uk">www.anchorhanover.org.uk</a>
Housing 21, Tricorn House, 51–53 Hagley Road, Birmingham, B16 8TP	Tel: 0370 192 4000 Web: <a href="http://www.housing21.org.uk">www.housing21.org.uk</a>

# Appendix 3 – Example S106 Agreement Affordable Housing Schedule

## 1. Definitions

In this Schedule

- 1.1 “Affordable Housing” has the meaning given to it in Annex 2 of the NPPF (the National Planning Policy Framework as amended or replaced from time to time).
- 1.2 “Affordable Housing Units” means (unless otherwise agreed in writing by the District Council) [insert number of dwellings] Dwellings to be built as part of the Development on the Site as Affordable Housing and constructed and provided on the Site in accordance with the Affordable Housing Plan and the provisions of this Deed
- 1.3 “Affordable Rent” means a rent up to 80% of the local market rent (including service charges where applicable) for an equivalent property for the size and location, based on a valuation in accordance with a method recognised by the Royal Institution of Chartered Surveyors and set in accordance with current Government policy for Affordable Rent and with regard to local market context including the relevant Local Housing Allowance provided that rent must comply with the Regulator for Social Housing Rent Standard or as agreed in writing with the Council
- 1.4 “Affordable Rented Units” means (unless otherwise agreed in writing by the District Council) [insert number of units] of the Affordable Housing Units let by a Registered Provider and offered at an Affordable Rent
- 1.5 “Affordable Housing Plan” means Plan [insert reference number] showing the location size type specification and Tenure of the Affordable Housing Units on the Site (or such other plan to be agreed in writing with the District Council)
- 1.6 “Contract” means a contract to transfer the Affordable Housing Units (together with all necessary rights of way and easements) to the Registered Provider
- 1.7 “District Council’s Waiting List” means the list and procedure for allocating Affordable Rented Units and Social Rented Units as set out in the Homeseeker Plus Policy and Service Level Agreement Document or any equivalent or similar replacement from time to time in existence
- 1.8 “Head of Planning and Strategic Housing” means the officer of the District Council who is responsible for the affordable housing in the District Council’s area or such other officer as may be appointed from time to time
- 1.9 “Help to Buy Agent” means the organisation appointed by Homes England responsible for providing to the Registered Provider a list of people interested in purchasing a Shared Ownership Unit or such other organisation exercising the same functions from time to time appointed by Homes England

- 1.10 "Homes England" means Homes England of One Friargate, Coventry, CV1 2GN who exercise the functions in relation to the funding of affordable housing and includes any successor body exercising similar functions
- 1.11 "Homes England Model Lease" means a lease in a form which has been approved and or prescribed by Homes England for shared ownership which allows a lessee to acquire up to and including *[insert maximum percentage]* of the equity of the Shared Ownership Unit and the freehold as may be amended or updated from time to time
- 1.12 "Homeseeker Plus Policy Document and Service Level Agreement" means the prevailing District Council choice based lettings scheme or such other housing allocation scheme as approved by the District Council which sets out eligibility for Qualifying Persons on the District Council's Waiting List and the procedure for nominations from the waiting list to Affordable Rented Units and Social Rented Units within the District Council's administrative area at the time when allocations are made as may be amended or updated from time to time
- 1.13 "Mortgagee" such mortgagee or chargee or any receiver (including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a Receiver) of the whole or any part of the Affordable Housing
- 1.14 "Practical Completion" means actual completion of the construction of the Affordable Housing Units in accordance with the Contract which save for minor defects permits beneficial use and occupation of the same
- 1.15 "Protected Tenant" shall mean any tenant who:
- (a) has exercised any statutory or voluntary right to buy (or any equivalent contractual right) in respect of a particular Dwelling; or
  - (b) has been granted a shared ownership lease of a particular Dwelling and the tenant has subsequently purchased all the remaining shares so that the tenant owns the entire Dwelling;
  - (c) has purchased a Rent to Buy Unit; or
  - (d) any mortgagee chargee and or successor in title to anyone falling with categories (a) to (c) above
- 1.16 "Qualifying Person" means an individual who is on the District Council's Waiting List and in need of Affordable Housing
- 1.17 "Rent to Buy Unit" means (unless otherwise agreed in writing by the District Council) *[insert number of units]* of the Affordable Housing Units provided by a Registered Provider where they are let at an Affordable Rent for a minimum period of five years during which period the Registered Provider has the option to:
- 1.17.1.1 sell the Affordable Housing Unit giving the existing tenant a right of pre-emption should they be in a position to buy the same;
  - 1.17.1.2 sell part of the Affordable Housing Unit and convert the Rent to Buy Unit to a Shared Ownership Unit giving the existing tenant a right of pre-emption should they be in a position to buy the same; or

- 1.17.1.3 regain possession of the Rent to Buy Unit (which would then be let to a new tenant on a new tenancy (as either a Rent to Buy Unit or Affordable Rented Unit)
- 1.18 “Registered Provider” means an affordable housing provider as provided for in the Housing and Regeneration Act 2008 and which is registered with Homes England (or its replacement body) and which has been approved by the District Council PROVIDED ALWAYS that if Registered Providers shall have ceased to exist or have been superseded then the expression shall be taken to mean such nearest equivalent body whose objectives include the provision of low cost housing for renting or ownership by local people as the District Council may reasonably approve for the purposes of this Deed
- 1.19 “Tenure” means Affordable Housing Units which comprise one or more of the following tenure types
- 1.19.1 Affordable Rented Unit;
- 1.19.2 Shared Ownership Unit;
- 1.19.3 Social Rented Units; and/or
- 1.19.4 Rent to Buy Units
- 1.20 “Shared Ownership Unit” means (unless otherwise agreed in writing by the District Council) [insert number of units] of the Affordable Housing Units provided by a Registered Provider where a proportion of the equity is sold on a long lease to the purchaser and the remainder of the equity is initially retained by the Registered Provider subject to rent being charged on the retained equity on terms that are set out in the Homes England Model Lease or such other form of lease reasonably requested by the Registered Provider and which shall be first approved by the District Council and in accordance with the following:
- 1.20.1 the initial percentage of equity sold is between 10% (or such other percentage as may be agreed by the District Council) and 75% which shall be calculated to ensure the Shared Ownership Units are affordable to those in housing need with regard to local incomes and local house prices;
- 1.20.2 the annual rent on unsold equity is initially set at no more than 2.75% or such other percentage as may be agreed by the District Council (acting reasonably) of the value of the equity retained by the Registered Provider or such other rent as complies with the requirements from time to time of Homes England; and
- 1.20.3 charges for services are levied in accordance with the good practice guidance issued by Homes England but provided always that this provision shall not prevent each such unit being responsible for contributing of a fair and reasonable proportion of any service charge levied for the Development and/or that part of the Development within which such each unit shall be situate
- 1.21 “Size Standard” means compliance with the Government’s Nationally Described Space Standard for each and every unit type of Affordable Housing Unit
- 1.22 “Social Rent” means a maximum weekly rent for a tenant who is granted a tenancy of the accommodation for the first time is formula rent calculated in accordance with the Government’s current Rent Standard guidance or equivalent thereof (exclusive of any service charges)

- 1.23 “Social Rented Units” means (unless otherwise agreed in writing by the District Council) [insert number of units] of the Affordable Housing Units let by a Registered Provider and offered at a Social Rent

## 2. The Owners covenant with the District Council as follows:-

- 2.1 Not to cause or permit the Implementation until a Contract has been entered into with a Registered Provider
- 2.2 To provide the Affordable Housing Units on the Site in accordance with the Affordable Housing Plan; Size Standards and the provisions of this Deed and unless otherwise agreed by the District Council the Affordable Housing Units shall comply with the requirements set out below:

[Example...]

<b>Property Type*</b>	<b>GIFA m<sup>2</sup></b>	<b>Total no.</b>	<b>Tenure</b>	<b>Plot no.</b>
[insert type]	[insert m <sup>2</sup> ]	[number]	Rent to Buy	[add plot no's]
[insert type]	[insert m <sup>2</sup> ]	[number]	Affordable Rent	[add plot no's]
[insert type]	[insert m <sup>2</sup> ]	[number]	Social Rent	[add plot no's]
[insert type]	[insert m <sup>2</sup> ]	[number]	Shared Ownership	[add plot no's]

\* (No. of Beds/Persons & House/Flat/etc.)

- 2.3 Save as otherwise provided in this schedule from the date of Practical Completion the Affordable Housing Units shall remain Affordable Housing Units available for future Qualifying Persons, PROVIDED THAT if an Affordable Housing Unit is released from the provisions of this Schedule then the subsidy that enabled the affordability (as calculated at the date of release) shall be recycled for alternative affordable housing provision in West Oxfordshire District and in accordance with National Planning Policy Framework guidance unless otherwise agreed by the Council in writing
- 2.4 The Affordable Rented Units and the Social Rented Units shall on the first and any subsequent let be allocated to Qualifying Persons in accordance with the District Council’s Homeseeker Plus Policy Document and Service Level Agreement PROVIDED THAT if the unit has not been let on completion of 2 letting cycles the Registered Provider shall be permitted to allocate a vacant unit to someone from its own waiting list
- 2.5 The Rent to Buy Units shall managed and occupied in accordance with the requirements of Homes England
- 2.6 The Shared Ownership Units shall be sold to applicants that have registered with the Help to Buy Agent PROVIDED THAT where possible (and only if this does not contradict or breach the grant funding conditions as set by Homes England) priority shall be given to people with a local connection to West Oxfordshire for a period of 6 weeks from when the Dwelling is first marketed (on initial and shared ownership resales)

2.7 The obligations in this Deed shall not be binding upon:

2.7.1 A Protected Tenant

2.7.2 A Mortgagee

PROVIDED THAT:

- (i) such Mortgagee shall first give written notice to the Council of its intention to dispose of the Affordable Housing Unit(s) and shall have used reasonable endeavours over a period of three months from the date of the written notice to complete a disposal of its Affordable Housing Unit(s) to another Registered Provider or to the Council for a consideration not less than the amount due and outstanding under the terms of the relevant security documentation including all accrued principal monies, interest and costs and expenses; and
- (ii) if such disposal has not completed within the three month period, the Mortgagee shall be entitled to dispose of the Affordable Housing Unit(s) free from the affordable housing provisions in this Deed (as set out in the First Schedule hereof), which provisions shall determine absolutely.

**West Oxfordshire District Council**

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