

Central Lancashire Local Plan

Examination Hearing Statement for Blackburn with Darwen Borough Council
Representor ID: D03
Matter 1a: Legal Compliance; and Matter 1b: Overarching Matters.

November 2025
Our Ref: /25-03115



Contents

1 INTRODUCTION 3

2 RESPONSE TO THE INSPECTORS' QUESTIONS ON MATTER 1A: LEGAL COMPLIANCE;
AND 1B: OVERARCHING MATTERS 4

Appendices

Appendix 1 Oxford Local Plan: Inspectors letter 11th Sept 2024



Quality Assurance

This report has been prepared within the quality system operated at Rapleys LLP according to British Standard ISO 9001:2015.

We confirm that the undersigned is an appropriately qualified and experienced Chartered Planner experienced in the commercial property sector.

Created by: Tim Coleby BA (Hons), MRTPI

[Redacted]

Bernard Greep BA (Hons) BTP MRTPI

[Redacted]

Signature:

[Tim Coleby \(Nov 6, 2025 15:30:35 GMT\)](#)

Checked by: Bernard Greep BA (Hons) BTP MRTPI

[Redacted]

Signature:

1 INTRODUCTION

- 1.1.1 Rapleys LLP has prepared this Examination Hearing Statement on behalf of Blackburn with Darwen Borough Council ('the Council') in its twin roles as a neighbouring local planning authority and as the owner of a significant parcel of Green Belt land within the borough of South Ribble.
- 1.1.2 This Hearing Statement focuses on legal compliance and overarching matters.

2 RESPONSE TO THE INSPECTORS' QUESTIONS ON MATTER 1A: LEGAL COMPLIANCE; AND 1B: OVERARCHING MATTERS

MATTER 1A: LEGAL COMPLIANCE

Issue 1: Has the Council complied with the duty to co-operate and other relevant procedural and legal requirements in the preparation of the Local Plan.

2.1 Question 1.1: In preparing the Plan did the Councils engage constructively, actively and on an on-going basis with neighbouring authorities and other relevant organisations on cross-boundary issues, in respect of the Duty to Co-operate?

- What engagement with neighbouring authorities has taken place as to the scale and form of development proposed and any strategic matters arising from this? What are the cross-boundary issues relating to economic growth and employment land provision? What was the outcome?
- Are there any strategic cross-boundary issues in relation to any of the proposed site allocations and any general policies, and if so, how have they been considered via the Duty to Co-operate?

[Note: this question concerns the engagement undertaken by the Councils during the preparation of the Plan and does not directly relate to the content of the Plan and whether or not it is sound, which is considered under other Matters]

2.1.1 Whilst there have been meetings with officers at Blackburn with Darwen Borough Council ('BwDBC'), confirmed by the Statement of Common Ground (examination document CLA01), on cross-boundary strategic matters the joint working and collaboration has not been fully effective, as required by Section 33A of the Planning and Compulsory Purchase Act 2004, and paragraphs 24 to 27 of the NPPF, in that:

- engagement has not been undertaken '*constructively, actively and on an ongoing basis*' during the course of preparing the Local Plan. Meetings have been limited and actions have not been followed up. For example:
 1. at the only formal duty to co-operate meeting, held in November 2024, the importance and issue of Samesbury Enterprise Zone (in maximising economic opportunities linked to the Blackburn Growth Axis) was raised by BwDBC but there was then no further communication on this matter prior to publication of the Plan; and
 2. an action noted for the Central Lancashire authorities to send employment allocations to BwDBC, once confirmed, was not completed
- in relation to housing, as we show in our Matter 3 statement, less than 80 per cent of actual housing need (measured using the standard method) is to be met over the plan period, resulting in a shortfall of some 6,000 dwellings over the plan period; and
- in relation to employment, the draft Plan also shows insufficient ambition and fails to properly recognise or cement the relationship between the growth potential arising from the Lancaster-Manchester cyber corridor (including the Samesbury Enterprise Zone economic cluster) and the Spatial Strategy within BwDBC's adopted Local Plan, particularly its emphasis via Core Policy 2 on a Growth Axis running from the Enterprise Zone, through Blackburn town centre to the M65. In particular, the Plan does not recognise the need for additional land to be identified (or considered for future safeguarding under paragraph 149c of the NPPF) which would allow complementary expansion of employment uses at Samesbury, together with provision of new housing for the large increase in employees forecast to arrive over the next few years.

2.1.2 It is unfortunate that opportunities were not taken, therefore, both before the revised NPPF was published in December 2024 and in the period afterwards, for BwDBC (and other neighbouring local authorities as well as the County Council) to be more directly involved in the update of the Central Lancs Housing Study (HO09) which set the level of overall housing need to be met by the Plan and, in doing so, also supported an unambitious level and distribution of new employment provision.

2.1.3 Having regard to these concerns, we also draw attention here to the circumstances surrounding the withdrawal of the Oxford City Plan earlier in 2025, following the Inspectors' finding that the surrounding districts should have been more involved in technical studies into housing need and thereby concluding that the duty to co-operate had not been met (see the Inspectors' letter, dated 11th September 2024, reproduced within Appendix 1 to this statement).

2.2 **Question 1.2: Has the Plan been prepared in accordance with the adopted Local Development Scheme (CD12)?**

Question 1.3: Has consultation on the plan been carried out in accordance with the Council's Statement of Community Involvement and the requirements of the 2004 Act (as amended) and the 2012 Regulations?

2.2.1 We have no comments in respect of these two questions.

2.3 **Question 1.4: Does the Integrated Assessment (IA) provide a comprehensive and robust basis to inform the strategy and contents of the Plan, particularly in terms of:**

- a) Its assessment of the likely effects of the plan's policies and allocations?
- b) Its consideration of reasonable alternatives, including the development quantum and spatial distribution options? Does it capture all reasonable alternative site options put forward in the Plan preparation process? Can these be compared on a like for like basis?
- c) Its explanation of why the preferred strategy and policies were selected?
- d) Its assessment of the amount of development that would arise as a result of the provisions in the Plan?

[Note: This question focusses on the legal compliance of the IA in broad terms. The implications of the IA for the soundness of the plan are considered under other Matters.]

2.3.1 We have no comments in respect of the broad legal compliance of the IA, although we do comment on its implications for soundness as part of our response to Matter 2.

2.4 **Question 1.5: Is the Habitats Regulations Assessment adequate and does the Plan include all the recommendations identified in the assessment as necessary to ensure compliance? Is it robust and convincing in its conclusion that the Plan will have no significant effects on the integrity of any European sites? In particular, how will cumulative effects be addressed on a site by site basis?**

2.4.1 We have no comments in respect of this question.

2.5 **Question 1.6: Does the Plan include policies to address the strategic priorities for the development and use of land in Central Lancashire? How are these identified in the Plan?**

2.5.1 As we also describe in relation to Matter 2, key elements of the draft Plan's strategic vision and objectives are to meet local housing needs and to provide a range of employment and economic growth opportunities, thereby promoting Central Lancashire as a key economic centre for the North West and strengthening economic prosperity.

2.5.2 The draft Plan does not reflect the Plan's priorities in these respects. It pays insufficient heed to the national political and planning imperative to stimulate and enable sustainable economic and housing growth. The Plan is not sufficiently ambitious to deliver against that imperative, because it does not:

- demonstrate with evidence that the spatial strategy is deliverable over the Plan period, will meet the varied and significant full employment and housing needs of the area and will avoid an under-supply of land for new employment and homes; or
- adequately recognise the strategic importance, economic strengths, success in attracting investment and potential for further growth of the cyber corridor between Lancaster and Manchester (including the M6-A59 corridor and the Growth Axis linking the Samlesbury economic cluster, Blackburn town centre and the M65). Nor does it plan positively for the future consolidation and sustainable expansion of Samlesbury in the form of complementary employment and residential growth.

2.6 **Question 1.7: Does the Plan include policies designed to ensure that the development and use of land in Lancashire contributes to the mitigation of, and adaptation to, climate change?**

Question 1.8: How have issues of equality been addressed in the Local Plan?

Question 1.9: Does the Plan comply with all other relevant legal requirements, including in the 2004 Act (as amended) and the 2012 Regulations?

Question 1.10: Does the Policies Map (CD02) correctly illustrate geographically the application of policies of the Plan?

2.6.1 We have no comments in respect of these questions.

MATTER 1B: OVERARCHING MATTERS

2.7 Question 1.11: Is the Plan period (2023 - 2041) justified, effective and consistent with national policy which requires strategic policies to look at least 15 years ahead from adoption? Should the requirements/timescales for review of the Plan be set out in policy?

2.7.1 The Councils suggest that the Plan is likely to be adopted by the end of 2026 but, even if that is the case, that leaves only 14 years and 3 months until its end date of 31st March 2041.

2.7.2 Furthermore, based on our experience elsewhere, we consider that the Plan is unlikely to be formally adopted until 2027 at the earliest, such that the Plan period should be extended until at least 2042. This would also allow greater delivery from the large strategic sites, upon which the Plan relies heavily.

2.7.3 The current Plan period is therefore not justified, effective or consistent with paragraph 22 of the NPPF.

2.7.4 For these reasons, together with our other objections as set out above and below, our position is that the Plan is unsound and should not proceed. Instead, for all of the reasons explained above and in our Regulation 19 submission, and also to allow for the extension of the Plan period, a revised version of the Plan should be prepared, following a Green Belt review which prioritises grey belt sites that conform with sustainable patterns of development, in accordance with paragraphs 145 to 149 of the NPPF.

2.7.5 That said, should our position ultimately not be accepted by the Inspectors, in view of the pressing need to identify additional housing and employment allocations and to be more ambitious in respect of the economic growth potential of the Plan area, then the Plan should include a policy requiring it to be reviewed at the earliest possible stage in the Plan period (in our view, an immediate review being warranted due to the changing context around devolution in Lancashire with the newly formed Combined Authority, Local government reorganisation, and national planning reforms that will mandate Spatial Development Strategies).

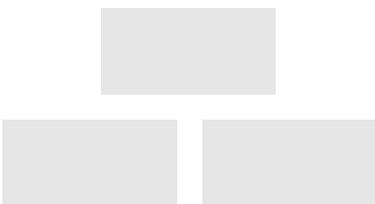
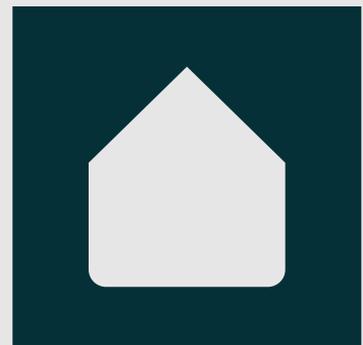
2.8 Question 1.12: What are the implications of the transitional arrangements set out in paras 234 and 235 of the NPPF (Dec 2024) for the examination of the Plan?

2.8.1 The Plan reached its Regulation 19 stage before 12th March 2025. However, as we explain in response to Matter 3, its housing requirement meets less than 80 per cent of local housing need, such that paragraph 235 does not apply and the Plan should be examined under the latest, December 2024 version of the NPPF.

2.9 Question 1.13: How have made and emerging Neighbourhood Plans been taken into account and where is this evident?

2.9.1 We have no comments in respect of this question.

Oxford Local Plan: Inspectors letter 11th September 2024





Rachel Williams
Planning Policy and Place Manager
Oxford City Council

Our Ref:

PINS/G3310/429/9

Date:

11 September 2024

Dear Ms Williams,

Examination of the Oxford Local Plan 2040

1. Further to the initial hearing sessions held between 11 and 13 June 2024, we are now able to set out our conclusions on the matters considered and our overall position regarding the examination.

The duty to co-operate

2. Section 33A of the Planning and Compulsory Purchase Act 2004 sets out a duty to co-operate in terms of the preparation of a development plan document as far as it relates to a strategic matter. The duty requires the Council to have co-operated in maximising the effectiveness of the preparation of the Local Plan and in particular to have engaged constructively, actively and on an ongoing basis. The duty concerns the period up to the submission of the Local Plan for examination.
3. Whilst there are a number of strategic matters relevant to the preparation of the Local Plan, housing needs, housing capacity, the housing requirement and unmet housing needs are of particular significance.
4. In the past, close co-operation and joint working between the local planning authorities and other relevant bodies has been a key feature of plan making in Oxfordshire and in particular the approach towards identifying housing needs and ensuring that these are met. The authorities collaborated on the Oxfordshire Strategic Housing Market Assessment, published in 2014. This provided the primary evidence on housing need for the Local Plans being prepared by each of the authorities at that time, albeit that for Oxford City, an update on objectively assessed need published in 2018 was used to roll forward the housing need assessment to 2036.
5. There was further co-operation between the authorities in respect of identifying the scale of unmet housing needs in Oxford City given the acknowledged capacity constraints. This culminated in a memorandum of co-operation in November 2016 which set out an apportionment of Oxford City's unmet housing need, between the other authorities. Whilst it was not signed by South Oxfordshire District Council, we understand that its officers played an active part in the Growth Board work programme. It contributed to the preparation of all

evidence documents and the figure in the memorandum of co-operation was reflected in its Local Plan adopted in 2020. The commitments to accommodate unmet housing need were taken forward into the Local Plans for each authority and were clearly a key factor in the examination of the Oxford Local Plan 2036 and the Inspectors' conclusions on the issue.

6. Close co-operation continued in respect of the Housing and Growth Deal for Oxfordshire and the agreement to prepare a strategic plan for Oxfordshire (the Oxfordshire Plan 2050). A key element of this was the joint commissioning of the Oxfordshire Growth Needs Assessment (OGNA). The Oxfordshire Plan 2050 was issued for Regulation 18 consultation in the autumn of 2021. Joint working continued including discussions on updating the OGNA.
7. However, this joint working on the Oxfordshire Plan 2050 came to a somewhat abrupt end in August 2022. The key factor being the inability for the authorities to reach agreement on the approach to planning for future housing needs. The concept of a joint strategic plan for Oxfordshire was abandoned.
8. Oxford City and Cherwell District Councils were clearly keen to progress their own Local Plans after the demise of the Oxfordshire Plan 2050 and to utilise the work that had already been undertaken on the OGNA and its update as much as possible. The two authorities proceeded to commission the Housing and Economic Needs Assessment (HENA) which was largely based on the approach and methodology of the OGNA. Although detailed elements such as specialist housing were to be considered only for the two authorities concerned, it was clear that the Oxfordshire wide assessment of housing needs and the overall methodology employed in the OGNA would remain.
9. Given the lack of minutes or meeting notes from this time, the exact nature of discussions with the other authorities in Oxfordshire regarding their potential involvement in the HENA is not clear. Unfortunately, this lack of clarity was reinforced at the hearing session when representatives of South Oxfordshire and the Vale of White Horse Councils in particular gave recollections of meetings and discussions that contradicted those of the City Council.
10. A number of things are clear to us, however. Firstly, Oxford City and Cherwell District Councils were committed to progressing the HENA as soon as possible using essentially the same methodology as the OGNA and their commitment was expressed very quickly after the demise of the Oxfordshire Plan 2050. Secondly, whatever the specific nature of discussions and meetings with the other Oxfordshire authorities, it was apparent that they had fundamental concerns with the approach and methodology intended to be employed in the HENA and the prospect of them joining the commission was very remote, if not non-existent.
11. Thirdly, Oxford City and Cherwell District Councils proceeded very quickly with the commission of the HENA. The public statement confirming that work on the Oxfordshire Plan 2050 had come to an end was issued on 3 August 2022. According to the Council, they informed the other authorities of their intention to commission the housing needs assessment at the Heads of Planning meeting on 12 August 2022. The exact nature of discussions at that meeting are disputed by South Oxfordshire and Vale of White Horse Councils however. At the Heads of Planning meeting on 9 September 2022, it was explained that the HENA had already been commissioned, largely based on the OGNA and using the same consultants. It seems clear to us that a decision to pursue this approach

had been taken, regardless of whether other Oxfordshire authorities would join the commission.

12. The fact that the three other Oxfordshire local planning authorities did not join in with the commissioning of the HENA is not in itself a significant issue. However, we have serious concerns regarding the engagement that took place with those other authorities in terms of the preparation and publication of the HENA. This is particularly due to the geographical scope of the HENA, the methodology and assumptions used, the ultimate conclusions it reaches on housing needs and the implications for other authorities.
13. A fundamental aspect of the HENA, and one which has caused substantial concern, is that it seeks to assess housing needs first of all on an Oxfordshire wide basis, and then sets out a preferred distribution of these needs between the five individual authorities. This is despite three of the authorities affected not being party to the study and indeed raising serious concerns about its scope. It is also despite clear national policy and guidance which refers to local housing needs being assessed by strategic policy makers and through strategic policies. By this point in time there was no strategic plan for Oxfordshire being prepared.
14. The HENA was first made available to the other authorities on 6 January 2023 prior to the meeting of the Oxfordshire Planning Policy Officers Group on 12 January 2023. It was formally published by the Council in February 2023 alongside the Regulation 18 Part 2 consultation on the Local Plan. There had been regular meetings between officers of the authorities up to this point and we understand that the Council provided updates on the Local Plan process and the HENA. However, on the basis of evidence before us, the other authorities had not been given an opportunity to have any meaningful input into the HENA during its preparation.
15. There appears to have been no meaningful discussion with the other authorities on the methodology being employed or the specific assumptions being used. Some of these assumptions, such as those on the employment rate and commuting flows, had very significant effects on the outcome of the different scenarios tested. We deal with these in more detail below but in both of these cases the assumptions used in the HENA were in our view deliberate policy choices or at least clear objectives to be achieved. In both cases they assumed relatively significant changes from the latest relevant data. There was no opportunity for the other authorities to see and comment on a draft report and they were not made aware of the key findings of the HENA until it was published.
16. There was no engagement with the other authorities in developing the four scenarios to assess housing needs for Oxfordshire, nor the conclusion that either the Census adjusted or Cambridge Econometrics (CE) baseline scenarios should be pursued. There was no engagement as to the merits of and rationale for moving away from the standard method for assessing housing need.
17. The Council argues that the HENA did not attempt to set the housing need for the three other authorities. However, it quite clearly looks at alternative options for a distribution of the overall Oxfordshire housing need between all of the individual districts. It goes on to conclude that a distribution based on projected employment should be used. Table 7.12 of the HENA quite clearly sets out specific housing need figures for each of the five authorities using that distribution option. Again the use of this distribution option seems to us to be a

deliberate policy choice/clear objective, which has a significant effect on the outcome of the assessment. There was no engagement with the other authorities on this.

18. Overall, on the basis of the two scenarios it recommends, the HENA identifies a housing need for Oxfordshire significantly above that which would be derived from the sum of housing needs for each individual authority using the standard method. It goes on to identify housing needs for each individual authority which, in most cases, are higher than the standard method figure¹. It identifies a housing need figure of 1,322 or 1,416 homes per year for Oxford City, depending on the scenario chosen. This is substantially higher than the standard method figure of 762. This is particularly significant given the constraints on housing land supply in Oxford City itself and the strong likelihood that a substantial proportion of this need would therefore have to be met in neighbouring authorities. Indeed the submitted Local Plan is based on the Council's assessment of capacity within the City boundaries to accommodate only 481 homes per year. This is well below even the standard method figure.
19. The Regulation 18 Part 2 consultation on the Local Plan in February 2023 was focussed on the issue of housing need. South Oxfordshire, the Vale of White Horse and West Oxfordshire Councils raised strong and serious concerns over the proposed approach which was based on the HENA. Strong concerns were also raised over the lack of engagement during the process. Meetings and written exchanges continued between the authorities, although the views of the authorities concerned remained unchanged.
20. The Council's assessment of the capacity of the City to accommodate housing is set out in the Housing and Economic Land Availability Assessment (HELAA). This is based on a joint methodology agreed with the other authorities in Oxfordshire in November 2021. The Council kept the other authorities informed of progress on the HELAA and provided updates on its emerging findings. South Oxfordshire and the Vale of White Horse Councils raised concerns over the findings of the HELAA and consider that there is potential for significantly more housing to be accommodated in the City. Notwithstanding this, as far as the production of the HELAA itself is concerned we are satisfied that the Council has engaged constructively, actively and on an ongoing basis. The housing requirement in the Local Plan is a direct consequence of this.
21. On the basis of the HENA and early work on the HELAA it has been clear for some time that the Council's position is that there would be significant unmet housing need. Although the exact capacity figure has changed over time as work on the HELAA progressed, it has ranged from 9,147 homes to 10,736 homes.
22. The Council formally asked the other authorities if they would be able to meet any of the City's unmet housing need in the letter from the Chief Executive of 22 December 2023. This was after six weeks of an eight week consultation period on the proposed submission version Local Plan. There is no evidence of any direct requests to accommodate unmet need either formally or informally before this.
23. At the hearing we questioned why the formal request had not been made earlier. The Council argued that it was because the specific capacity figure from the HELAA had only just been confirmed. However, the final version of the HELAA (HEA.003) is dated

¹ Apart from the CE baseline scenario for West Oxfordshire which is marginally lower.

September 2023. This sets out clearly the capacity figure of 9,612 homes. The meeting of the full Council on 7 November 2023 approved the recommendation to publish the Local Plan for Regulation 19 consultation with the figure of 9,612 homes in it. The report to Council and the background papers would have been made available some time before the meeting.

24. Therefore, it is clear that the Council was fully aware of the results of the final version of the HELAA (HEA.003) in September 2023. Indeed, it shared a note with the other authorities on 11 August 2023 which also showed a capacity figure of 481 homes per year². It is unclear why the other authorities were not formally asked if they could accommodate any of the unmet housing prior to the publication of the proposed submission Local Plan on 10 November 2023 and why the Council waited until 22 December 2023. The report to Council states in paragraph 14 that “..the identified capacity of housing land is below the identified housing need, and therefore a capacity-based housing requirement has been set out in Policy H1.” There is no specific reference in the report to unmet need or any attempts to address it. Nor is there any reference to the duty to co-operate.
25. The note of 11 August 2023 identifies an unmet need of 841 homes per year (1,322 need from HENA minus 481 capacity from HELAA). The total unmet need for the plan period was shown as 16,817³. The note goes on to reference the memorandum of co-operation between the authorities of 2016 and the subsequent commitments in adopted Local Plans. These commitments total 14,300 homes.
26. The Council has sought to continue to rely on these previous commitments when responding to questions on the issue of unmet needs for the new Local Plan. We have a number of concerns with this. The memorandum of co-operation and the Strategic Housing Market Assessment which informed it cover the period up to 2031. The adopted Local Plans for Cherwell, Vale of White Horse and West Oxfordshire cover the period up to 2031. The adopted South Oxfordshire Local Plan covers the period up to 2035.
27. The adopted Oxford Local Plan covers the period 2016-2036 and was based on the update of objectively assessed need of 2018 which covered the period up to 2036. The new Local Plan for Oxford covers the period 2020-2040. The Council’s assessment of housing needs is now based on the HENA which again covers the period 2020-2040.
28. The memorandum of co-operation and adopted Local Plan commitments were based on a different assessment of housing need, produced ten years ago and covering a different time period. It was also the product of genuine joint working between all of the authorities. Although the Council’s letter of 22 December 2023 asked whether each authority would be able to meet any of Oxford’s unmet housing need, we are not aware of any specific approach from the Council to the other authorities to confirm that they will roll forward those commitments to cover the period up to 2040. We are also not aware of any attempt to discuss how the full unmet need which the Council has identified should be apportioned between other authorities or to establish a new memorandum of co-operation.
29. We appreciate that the Regulation 18 consultation on the joint Local Plan for South Oxfordshire and the Vale of White Horse includes commitments to honour existing

² Although the total capacity for the plan period was shown as 9,623 and not 9,612 as in the submitted Local Plan

³ The figure now referred to is 16,828

agreements, but these are clearly time limited to 2031 and 2036 respectively. In any case, even taking the Council's position, there would be a residual unmet need in the order of 2,500 homes. There has been no attempt as far as we can see, to discuss how and where this might be met.

30. In light of the above we now set out our conclusions on the duty to co-operate.
31. Although there was significant engagement with the other Oxfordshire authorities on strategic housing matters prior to the collapse of the Oxfordshire Plan 2050, our consideration of compliance with the duty to co-operate only relates to the preparation of this Local Plan.
32. Following the demise of the Oxfordshire Plan 2050, the Council and Cherwell District Council proceeded very quickly with the commissioning of the HENA. This assessed housing need on an Oxfordshire level, essentially using the same methodology as the OGNA and its planned update. This was despite strong concerns from the other three authorities. Although the HENA made choices about assumptions to be used on the employment rate and commuting flows which had a significant effect on the outcome of the assessment, the other authorities were not given any opportunity to comment on or influence these. The HENA makes the significant step of moving away from the standard method advocated in Government policy and guidance. The other authorities were not engaged in this decision.
33. Ultimately, the HENA identifies individual housing needs for each of the five authorities. Again there was no engagement with the three other authorities on the principle of doing this or the specific scenario for distribution chosen.
34. As a consequence of the substantial housing need for Oxford City identified in the HENA and the Council's assessment of housing capacity, there would be a very substantial unmet need of some 16,828 homes over the plan period 2020-2040. Although there are previous agreements and commitments in place to accommodate some 14,300 homes in the other Oxfordshire authorities, these agreements stem from a different round of plan making with a different evidence base and deal with a different time period. From what we can see the Council has made no attempt to discuss how and where the newly identified unmet need up to 2040 would be met. It has relied to a large extent on these previous agreements and commitments.
35. The implications of the Council's approach for other authorities in Oxfordshire are very significant. The HENA identifies housing need figures for each authority which are in most cases under the chosen scenarios higher than the standard method. This could have significant implications for future Local Plan preparation and examinations in these areas. The scale of unmet need which the Council identifies for Oxford City is very substantial. Meeting this in full would clearly have significant implications for the other authorities.
36. The fact that other authorities have raised significant concerns over the Council's approach to housing needs and capacity and do not agree with the methodologies and outcomes of the assessments is not in itself a reason to conclude that there has been a failure in relation to the duty to co-operate. Nor is the fact that they have raised specific concerns over compliance with the duty.

37. It is the approach taken by the Council and its actions during the preparation of the Local Plan that are key factors in our assessment of compliance with the duty. Unfortunately, for the above reasons, we do not consider that the Council has engaged constructively, actively and on an ongoing basis in relation to the strategic matters of housing needs and unmet housing needs. Given this we conclude that the Council has not satisfied the duty to co-operate.

Housing need and the housing requirement

38. Notwithstanding the above, we consider it appropriate to also set out our findings in respect of soundness, insofar as it relates to housing need and the housing requirement, given that we held initial hearing sessions on the matter.

39. As set out above, the HENA provides the Council's evidence on housing need and provides the starting point for its assessment of the scale of unmet need. Although the Local Plan sets out a housing requirement of an average of 481 homes per year based on the Council's assessment of capacity within the City, it also clearly identifies a housing need of 1,322 homes per year, making the point that the need is greater than the capacity of the City to deliver it. The assessment of housing need and the evidence that supports the Council's approach is a key issue in our consideration of the soundness of the Local Plan.

40. Plans should provide a strategy which, as a minimum, seeks to meet the area's objectively assessed needs. Where this relates to housing, such needs should be assessed using a clear and justified method, as set out in paragraph 61 of the National Planning Policy Framework (NPPF). Paragraph 61 of the NPPF (September 2023) states 'To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals.'

41. The Planning Practice Guidance (PPG) reaffirms that the use of the standard method for strategic policy making purposes is not mandatory. However, there is an expectation that the standard method will be used, and that any other method will be used only in exceptional circumstances⁴. The PPG advises 'Where a strategic policy-making authority can show that an alternative approach identifies a need higher than using the standard method, and that it adequately reflects current and future demographic trends and market signals, the approach can be considered sound as it will have exceeded the minimum starting point.'⁵

42. The PPG⁶ sets out that it may be appropriate to consider whether actual housing need is higher than the standard method indicates and gives a number of examples:

- Growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- Strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or

⁴ Paragraph: 003 Reference ID: 2a-003-20190220

⁵ Paragraph: 015 Reference ID: 2a-015-20190220

⁶ Paragraph: 010 Reference ID: 2a-010-20201216

- An authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
43. The PPG goes on to advise that, there may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method.
 44. The HENA suggests that the results of the 2021 Census clarified that the 2014 based population projections used in the standard method were demonstrably inaccurate in Oxfordshire. However, while the standard method does not capture demographic data post 2014, the Government recognises this and specifically advises within the PPG that these are used to provide stability for planning authorities and communities, ensure that historic under-delivery and declining affordability are reflected, and to be consistent with the Government's objective of significantly boosting the supply of homes.
 45. Whilst the 2021 Census shows a population in Oxfordshire some 18,700 more than projected, for Oxford City the population was 4,300 less than it was predicted to be by the 2014 based projections. A similar comparison of projected and actual household growth shows there to be a difference of -6,900 in Oxford City. If we were to accept that the 2021 Census shows that the household projections used in the standard method were demonstrably inaccurate in Oxford City, the area which is being planned for by the Local Plan, this would be likely to result in a lower housing need figure than arrived at using the standard method.
 46. The HENA uses the 2021 Census data at an Oxfordshire level, which balances out weaker population growth in Oxford City with stronger growth in other parts of the County. Using a county-wide figure and apportioning it to each authority results in a higher figure for Oxford City. This undermines the Council's argument for rejecting the standard method on the basis of the accuracy of population and household projections. As we have noted above, national policy and guidance is clear that local housing needs should be assessed by strategic policy makers and through strategic policies. Assessing housing needs for Oxfordshire, outside of such a strategic policy framework is contrary to this.
 47. Historic suppression of migration and household formation, affordability issues and high levels of in-commuting are also cited as exceptional circumstances. However, the PPG advises that the affordability adjustment is applied to take account of past under-delivery. There is no need to address under-delivery separately. Although the standard method is based upon projected household growth rather than economic growth, this of itself is not an exceptional circumstance. While Oxford City has a buoyant economy, the Standard Method would provide additional housing, which would support jobs growth. There is no clear justification in this case for departing from the standard method, exceptional circumstances do not exist.
 48. The HENA identifies four housing need scenarios, the standard method, 2021 Census adjusted, CE baseline and economic development led. Housing need on an Oxfordshire wide level is identified under each scenario. As set above, assessing housing need on a County level is not justified. It is only when figures for housing need for Oxfordshire under each scenario are identified that the HENA attempts to establish housing need for Oxford City and the other authorities. It does this by considering three distribution scenarios.

49. The percentage of housing need which is apportioned to Oxford City is identified as 22.5% for the standard method, 26.7% for the 2021 distribution of employment scenario and 30% for the 2040 distribution of employment scenario.
50. One potential risk of identifying housing needs on an Oxfordshire basis, without the three other authorities being party to and agreeing with the process, is that the overall need across Oxfordshire is overestimated. For example, the approach taken in the HENA is that 30% of the growth should be located in Oxford City compared to 22.5% under the standard method. However, if the other authorities estimate their need using the standard method, this will be based on the remaining 77.5% across Oxfordshire, not 70%.
51. In developing the scenarios for the HENA, a number of assumptions were used. Of particular concern are those relating to the economic activity ratio and the commuting rate.
52. There are two measures of economic activity: the total who are economically active (the 'economic activity rate'); and those who are employed and economically active (the 'employment rate'). It was explained at the hearing that the HENA incorrectly refers to the economic activity rate and sets out graphical data on this. The Council confirmed for the purposes of the HENA scenarios, that the employment rate was used, because they are assessing those from the workforce who might fill workplace jobs. This has subsequently been corrected in a note submitted on behalf of the Council (M3 AP8). Increasing the employment rate increases labour supply, therefore lowering housing need in the scenarios. A lower rate has the reverse effect.
53. The additional graph in M3 AP8 shows the long term trend in employment rates for Oxfordshire, the South East and Great Britain. An average of the South East rate (77%) has been chosen because, it is suggested, it was considered more appropriate and statistically reliable.
54. While the rate for Oxfordshire has fluctuated more than the South East rate, apart from a brief period towards the end of 2021 and the start of 2022, rates in Oxfordshire have been consistently higher than the South East rate. It is suggested that building the Oxfordshire rate into the modelling would be to build on the assumption that it perpetually continues at this very high rate. However, given that the data shows consistently high rates over a 20 year period, there is no reason to suggest such high rates will not continue.
55. Using the South East average provides an artificially low rate compared with the Oxfordshire rate, which is not reflective of the employment rate over much of the past 20 years and which therefore identifies a higher housing need in Oxfordshire. Moreover, there is no assessment of, or consideration of the rate for Oxford City. Local employment rates are a result of the performance of the local economy and the local labour market to adjust to it. It is suggested Oxfordshire's persistently high employment rate is a function of its persistently strong economy and relatively constrained housing market. Selecting a lower rate with the intention of building some 'elasticity' into the labour market does not reflect current or future demographic trends and market signals and is a clear policy choice.
56. The Council argues that there is no such thing as a 'policy off' employment rate and that selecting an activity rate that corresponds to, and will likely guarantee, the continuation of this pattern is as much of a policy choice as selecting a policy choice more in line with the

national average. However, the NPPF is clear that an alternative approach (to the standard method) should reflect current and future demographic trends and market signals. The effect of applying a higher employment rate is not insignificant. For example, selecting a rate of 79% for Oxfordshire, rather than the South East rate of 77% would reduce the housing need for Oxfordshire under the CE Baseline scenario from 4,406 to 3,776 homes per year. For Oxford City, using this scenario and the preferred distribution it would fall from 1,322 to 1,132 homes per year.

57. The HENA assumes a net in commuting rate based on 2011 levels, which is well below in commuting levels identified in later years. For example, net commuting into Oxfordshire in 2011 was 9,277, whereas in 2021 it was 16,994. Increasing the net in-commuting rate assumed would lower the housing need for the employment scenarios. Furthermore, commuting was considered at the County level rather than the individual authority level. Net commuting into Oxford City in 2011 was 29,762 and in 2021 was 18,997, both of which are considerably higher than the figure used in the HENA.
58. We appreciate that commuting data from the 2021 Census is likely to have been distorted by travel to work patterns being affected by the Covid pandemic. However, the broad trend is clear. The assumption that net in commuting will reduce back to 2011 levels is likely to have a significant effect on housing need, over inflating the level of need within Oxford City. In our view, this is a policy choice or at least a clear objective to be achieved as it would move away from an assumption based on the most up to date information. It is also not clear how this would be achieved in practice.
59. Following the hearings, the Council issued a correction to the HENA in respect of the distribution of employment in 2021 and the distribution of employment in 2040 (M3 AP9). The corrections are significant. In terms of the 2021 distribution, instead of 26.7% for Oxford City, a revised distribution of 30.27% is used. In terms of the 2040 distribution, instead of 30%, a revised distribution of 29.73% is used. Although the difference in terms of the distribution ultimately used to establish the housing need in the Local Plan is limited, the need to make such corrections at such a late stage in the process significantly undermines the robustness of the HENA. Furthermore, the recommendations and the decision made by the Council to proceed with the 2040 distribution were based upon incorrect figures.
60. There was some debate during the hearings regarding the precise level of capacity identified within the HELAA. While it may be possible for additional capacity to be identified, given the constrained nature of the City, there would still be a significant shortfall in capacity. Although the Local Plan does not seek to meet the need identified in the HENA, the identification of an unmet need has implications for other Oxfordshire authorities, not least for their Plan making. Indeed, West Oxfordshire District Council explained during the hearings that the HENA is currently having implications for Section 78 Appeals.
61. The identification of the quantum of unmet need is therefore critical. However, the robustness of the HENA is questionable, and its recommendations flawed. The approach to housing need is not justified and therefore the Local Plan is not sound in this respect.

Procedural and legal requirements

62. Notwithstanding our conclusions on the duty to co-operate, we are satisfied that in other respects the Council has complied with relevant procedural and legal requirements, relating

to the preparation and submission of the Local Plan. There are some detailed issues in relation to the Sustainability Appraisal and Habitats Regulations Assessment which would have needed to be addressed, had the examination been able to proceed.

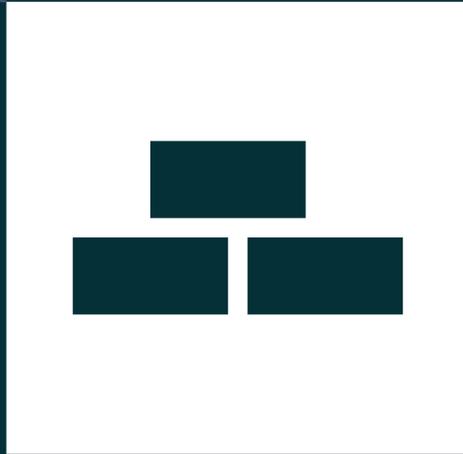
Overall conclusion

63. You will appreciate that there is no mechanism to rectify a failure to comply with the duty to co-operate. Under the circumstances this leaves two options. Firstly the Council could withdraw the Local Plan under S22 of the Planning and Compulsory Purchase Act 2004 (as amended). Alternatively the Council could choose to receive our report. Given our findings however, this would inevitably recommend that the Local Plan is not adopted and would involve additional time and cost.
64. In itself, the soundness of the Local Plan in terms of housing need is a matter that could have potentially been rectified, if the examination had continued. On the basis of the above and the evidence before us, there is no justification for moving away from the standard method for identifying the local housing need for Oxford City. If the Council were to accept this, it could have been addressed by relatively straightforward main modifications to the Local Plan. This does not however, affect our conclusions on the duty to co-operate.
65. We would be grateful if you could confirm the Council's position regarding withdrawing the Local Plan via the Programme Officer as soon as possible.
66. A copy of this letter should be placed on the examination webpage.

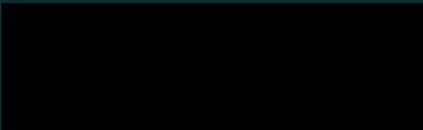
Yours sincerely,

Martha Savage and Kevin Ward

INSPECTORS



For further details contact:
Bernard Greep



Rapleys LLP is registered as a Limited Liability Partnership in England and Wales.
Registration No: OC308311. Registered Office at Unit 3a, The Incubator, The Boulevard,
Enterprise Campus, Alconbury Weald, Huntingdon, PE28 4XA. Regulated by RICS.