

## **Appendix 3:**

### **Chapter 3 - A pleasant place to live, delivering housing with a mixed and balanced community**

#### ***3.1 - Method for calculating affordable housing contributions relating to residential development***

Policy H2 requires that sites that provide (or have capacity to provide) 4 to 9 dwellings make a financial contribution toward delivery of affordable housing in Oxford, towards achieving mixed and balanced communities. The City Council considers that a clear and simple approach is appropriate for calculating this contribution, which relates to the scale and kind of development on the site.

There is an industry 'rule of thumb' that the price a developer can afford to pay for a site for a housing scheme is roughly 30% - 40% of the value of the houses that you could build on it. On this basis, the cost of the land that would ideally be available for affordable housing is roughly 15-20% of the total sale value (representing 50% of the land area).

The City Council will calculate a financial contribution from a qualifying site as what would have been the cost of providing the land for affordable housing on that site. For clarity, the Council will use the 'rule of thumb' that this will be 15% of the total sale value of the properties to be built – this is a conservative estimate of the land value given the high value of land in Oxford.

The sale value will be derived from marketing information (this will usually be publicly available). If the developer considers that this does not reflect the actual sale value, they must demonstrate this by providing a copy of the contract of sale for each unit, as soon as the sales of half the units have completed. The sum will be calculated and must be paid prior to the sale or occupation of more than 50% of the units.

The following formula will be used to calculate the financial contribution: In addition to this, a 5% administration charge will be levied on the calculated sum payable.

$$\begin{array}{ccccccc} \text{The combined sale} & \text{multiplied by} & & \text{equals} & & & \\ \text{value of all homes} & & & & & & \\ \text{on the site on} & \mathbf{X} & \mathbf{0.15} & \mathbf{=} & & & \text{The sum} \\ \text{completion} & & & & & & \text{payable} \end{array}$$

### 3.2 - Method for calculating affordable housing contributions relating to student development

Policy H2 requires that a site that provides new purpose-built student accommodation makes a financial contribution towards affordable housing delivery in Oxford.

The City Council would, ideally, seek 50% of the value of the land being developed as a financial contribution from student accommodation developments. This would represent the cost of providing what would have been the land for affordable housing development, should the site have come forward for residential development. On the evidence of the viability study, this level of contribution would make most developments unviable. Therefore, the City Council will seek a standard financial contribution, based on the 'development surplus' of sites assessed as viable in the viability study. This figure works out as £143 per m<sup>2</sup>, which has been rounded down to £140 per m<sup>2</sup>.

The following formula will be used to calculate the financial contribution:

The diagram illustrates the formula for calculating the financial contribution. It consists of a light blue rectangular box containing the following text and symbols:

- On the left, the text "Residential floorspace, measured internally<sup>28</sup>" is written in a dark red font.
- In the center, the text "multiplied by" is written in a light blue font above a large blue "X" symbol.
- To the right of the "X", the text "£140 per m<sup>2</sup> (at the time of adoption of the Plan)" is written in a dark red font.
- To the right of this text, the text "equals" is written in a light blue font above a blue "=" symbol.
- On the far right, the text "The sum payable" is written in a dark red font.

This figure will be reviewed annually to reflect the All-in Tender Price Index published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors. In addition to this, a 5% administration charge will be levied on the calculated sum payable.

### **3.3 - Affordable housing viability cascade for large sites**

If on large sites (of 25 or more units) that are delivering significant infrastructure or social benefits it can be robustly proven that meeting the affordable housing target will make a site unviable, developers and the City Council will work through a cascade approach in the following order until a scheme is made viable:

- Firstly, reduce the percentage of affordable housing provided (to a minimum of 40% of all homes) by reducing the intermediate housing element only;
- Secondly, at 40% affordable housing, reintroduce an element of intermediate housing incrementally up to a maximum 8% of all homes;
- Thirdly, make a financial contribution in lieu of on-site provision, to be calculated using the approach set out in Appendix 2.

Robust evidence must be in the form of an independent viability appraisal. The City Council will expect the developer to negotiate on an “open book” basis which relates to the particular site circumstances that have resulted in the development’s non-viability.

The City Council will always expect developers to have considered the financial implications of affordable housing policy requirements, and local market indicators, when purchasing the land for development.

### **3.4 - Employer linked housing sites**

- Campus sites of the colleges of the University of Oxford and of Oxford Brookes. These are sites with academic accommodation existing at the time of the submission of the Local Plan, and where academic institutional use would remain on the site, even with the development of some employer-linked housing.
- Edge of Playing Fields Oxford Academy
- Edge of Playing Fields Bayards Hill Primary School
- Grandpont car park (or) Iffley Mead
- Old Power Station
- Radcliffe Observatory Quarter
- Slade House (or) Manzil Way Resource Centre
- Warneford Hospital
- Summertown House, Apsley Road
- West Wellington Square
- Osney Mead
- Court Place Gardens
- John Radcliffe Hospital
- Churchill Hospital
- Nuffield Orthopaedic Hospital

### 3.5 - HMO calculation

Policy H15 states that planning permission will only be granted for the change of use of a dwelling in Use Class C3 to an HMO where the proportion of buildings used in full or part as an HMO within 100 metres of street length either side of the application site does not exceed 20%.

The illustration below shows what is meant by this. The buildings highlighted in the example below would all be included in assessing whether the 20% threshold has been exceeded. It should be noted that, for the purposes of applying these guidelines:

- i. Buildings containing flats are counted as an HMO only if any one of the flats within the building are being used as an HMO;
- ii. Non-residential buildings are counted as an HMO only if any part of the building is in residential use as an HMO;
- iii. Buildings NOT counted as an HMO include all single dwellings that are occupied by a family, a homeowner together with up to two lodgers, or by up to 6 people receiving care (e.g. supported housing schemes for people with disabilities). Also NOT counted as HMOs are social housing, care homes, children's homes, religious communes, and all buildings occupied by students and managed by the educational establishment (this includes student accommodation), as well as all buildings entirely used for non-residential purposes;
- iv. Any building that lies partially within the 100 metres will be included in the calculation.

In counting individual properties, the City Council will have regard to the number of houses, flats or buildings that are licensed HMOs, or for which a licence application is pending. The Council may also count any other property for which reasonable evidence exists that the property is in use as an HMO.



### 3.5 - Privacy, daylight, and sunlight: the 45 and 25 degree guideline

Many factors are significant in assessing whether new dwellings will enjoy adequate sunlight and daylight, both internally and externally, and the same factors must be taken into account when assessing the impact of new development on existing dwellings.

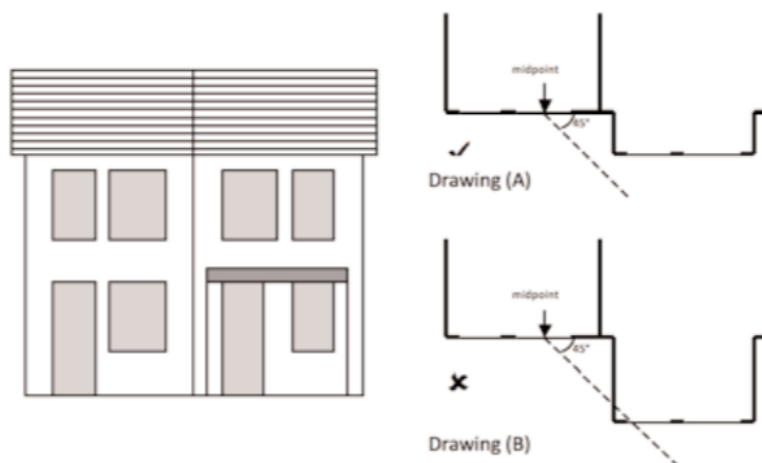
Reflected light and the amount of sky visible affect daylight within a room or garden. Applicants must consider the function of the room or that part of the garden, and also whether other windows serve the affected room. Existing features including boundary walls, trees, proposed buildings and any change in ground level between sites are all relevant factors which also need to be taken into account.

Applicants must also consider the impact on outlook - it is important not to create conditions which are overbearing (oppressive or claustrophobic) for existing or future occupiers.

While development proposals will be considered in the light of these factors, as a guideline to assess their impact on daylight, sunlight and outlook, the City Council will use the guidelines illustrated below. In normal circumstances, no development should intrude over a line drawn at an angle of 45° in the horizontal plane from the midpoint of the nearest window<sup>1</sup> of a habitable room<sup>2</sup> and rising at an angle of 25° in the vertical plane from the cill. If a main window to a habitable room in the side elevation of a dwelling is affected, development will not normally be allowed to intrude over a line drawn at an angle of 45° in the vertical plane from the cill.

#### Example 1

A single storey extension as shown below is generally acceptable if the projection is limited as shown in Plan (A). It may not be acceptable if the projection intrudes beyond the 45° line as shown in Plan (B).

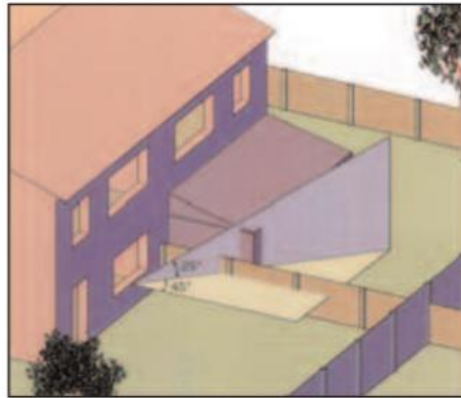


<sup>1</sup> For the purpose of these guidelines, patio doors and glazed French doors will also be treated as windows. Cill level will be judged in accordance with other principle windows in the same part of the dwelling, or in neighbouring dwellings

<sup>2</sup> For the purpose of these guidelines, habitable rooms include kitchens as well as living rooms, dining rooms, studies, bedrooms and/or playrooms

**Example 2**

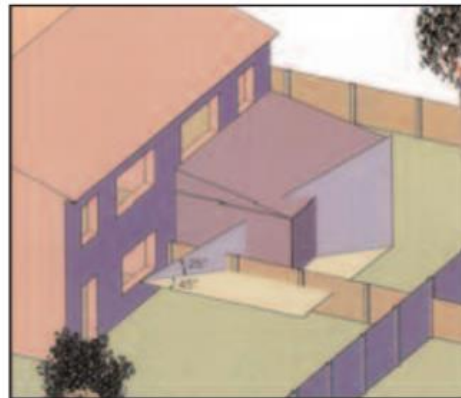
If the 45° rule is broken, generally the proposal will still be acceptable if the line drawn outwards at 45° is tilted upwards at 25° from the cill level, and is unbroken by the highest part of the extension. This is shown as Drawing (C). The example shown as Drawing (D) is unlikely to be acceptable.



Drawing (C)

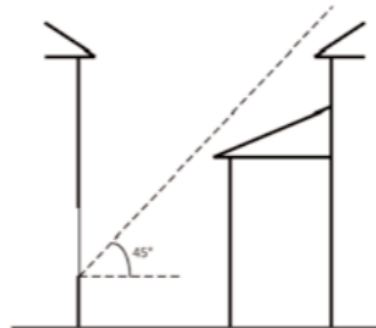


Drawing (D)

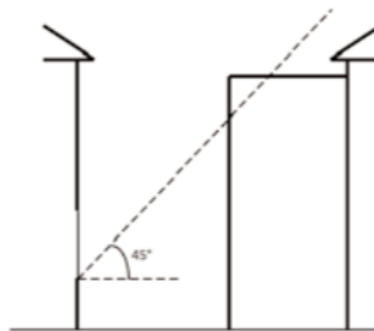


**Example 3**

If a main window to a habitable room in the side elevation of a dwelling is affected, development will not normally be allowed to intrude over a line drawn at an angle of 45° in the vertical plane from the sill.



Drawing (E) Cross-section showing side elevations



Drawing (F) Cross-section showing side elevations