

Minutes of a meeting of the WEST AREA PLANNING COMMITTEE on Wednesday 27 November 2019

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Committee members:

Councillor Cook (Chair)	Councillor Gotch (Vice-Chair)
Councillor Corais	Councillor Donnelly
Councillor Harris	Councillor Hollingsworth
Councillor Wolff	Councillor Tanner (for Councillor Upton)
Councillor Simm (for Councillor Iley-Williamson)	

Officers:

Adrian Arnold, Head of Planning Services
Nadia Robinson, Principal Planning Officer
Gill Butter, Conservation and Urban Design Officer
Andrew Murdoch, Development Management Service Manager
John Mitchell, Committee and Member Services Officer
Anita Bradley, Monitoring Officer

Also present:

Stephen Ashworth, Dentons, Legal Adviser
Hannah Battye (Oxfordshire County Council)
Oliver Eden (Oxfordshire County Council)
James Petherick (JLL, viability adviser)
Nigel Simkin (JLL viability adviser)

Apologies:

Councillors Iley-Williamson and Upton sent apologies.

64. Declarations of interest

Councillor Cook stated that as a Council appointed trustee for the Oxford Preservation Trust and as a member of the Oxford Civic Society, he had taken no part in those organisations' discussions or decision making regarding the application before the Committee, that he was approaching the application with an open mind and would listen to all the arguments and weigh up all the relevant facts before coming to a decision.

Councillor Wolff stated that Oxford North & West Green Party had submitted a comment on the application before the Committee. He was not a member of that group, had never attended a meeting of that group, and had not discussed the application with any member of it. This matter has been discussed with the Monitoring Officer, who had

cleared his participation at this meeting. He had read the officer's report with an open mind, and approached the meeting in the same spirit.

Councillor Donnelly stated that he was currently studying at St John's College but had no pecuniary interest or influence in the matter, approached it with an open mind, would listen to all the arguments and weigh up all the relevant facts before coming to a decision. The Monitoring officer confirmed that it had been previously determined that Councillors were not prohibited from taking part in planning decisions relating to the University or its Colleges with which they had a connection with the proviso that they had no influence over or financial interest in the matter. This was further reviewed and re-affirmed following a concern raised by an objector to the application.

Councillor Gotch stated that as a member of the Oxford Civic Society, he had taken no part in that organisation's discussions or decision making regarding the application before the Committee. He had been in receipt of evidence provided by local residents but had not attended any of their meetings to discuss the application which he approached with an open mind.

65. 18/02065/OUTFUL: Oxford North (Northern Gateway) Land Adjacent To A44, A40, A34 And Wolvercote Roundabout, Northern By-Pass Road, Wolvercote, Oxford, OX2 8JR

The Committee considered a hybrid planning application comprising:

- (i) Outline application (with all matters reserved save for "access"), for the erection of up to 87,300 m² (GIA) of employment space (Use Class B1), up to 550 m² (GIA) of community space (Use Class D1), up to 2,500 m² (GIA) of Use Classes A1, A2, A3, A4 and A5 floorspace, up to a 180 bedroom hotel (Use Class C1) and up to 480 residential units (Use Class C3), installation of an energy sharing loop, main vehicle access points from A40 and A44, link road between A40 and A44 through the site, pedestrian and cycle access points and routes, car and cycle parking, open space, landscaping and associated infrastructure works. Works to the A40 and A44 in the vicinity of the site;
- (ii) Full application for part of Phase 1A comprising 15,850 m² (GIA) of employment space (Use Class B1), installation of an energy sharing loop, access junctions from the A40 and A44 (temporary junction design on A44), construction of a link road between the A40 and A44, open space, landscaping, temporary car parking (for limited period), installation of cycle parking (some temporary for limited period), foul and surface water drainage, pedestrian and cycle links (some temporary for limited period) along with associated infrastructure works. Works to the A40 and A44 in the vicinity of the site. (Amended plans and additional information received).

The Planning Officer introduced the report. She reminded the Committee that the application had been debated at the Committee meeting on 24 September.

The application was unusual in that it was a hybrid application. Approval of it would be in full for the detailed element and for the principle of development and access to the

outline part of the site. If approved, detailed proposals for parts of the site would come forward as reserved matters applications in the usual way.

Northern Gateway was allocated as a strategic employment-led site in the Core Strategy. The Northern Gateway Area Action Plan (AAP) was subsequently developed and adopted by the Council in 2015. The AAP sets out the vision and policies for the area to support this strategic site coming forward.

Written representations had been circulated to Committee members after the addendum report was published.

The Summertown and St Margaret's Neighbourhood Forum, the Wolvercote Neighbourhood Forum and the Oxford Civic Society jointly raised various points of objection relating to the assessment of the development's viability.

The Wolvercote Neighbourhood Forum and the Wolvercote Commoners Committee jointly had raised an objection in relation to transport, as did County Cllr Buckley.

Many of these issues had already been covered in the officer's reports to the Committee but the new points would now be addressed.

Planning considerations

The 24 September Committee report, together with the addendum report for this Committee, set out all the material planning considerations and assessed the application against the local development plan and national planning policy.

This assessment weighed up the benefits and disbenefits of the scheme in terms of economic, social and environmental impacts. Significant public benefits weigh overwhelmingly in favour of the development. The application accords with the development plan. The National Planning Policy Framework (NPPF) therefore requires the Council to approve the application without delay.

The Planning Officer went on to address 4 key areas.

Affordable Housing

The application sought permission to build 480 homes overall. This would make a significant contribution to addressing Oxford's housing need. While the Council's affordable housing policies start at 50% on-site provision, if a site is demonstrated to be unviable with 50% affordable housing then the policy has a cascade approach to work through until a site becomes viable. This was the process that officers and the Council's advisors JLL had been through over the last two and a half years in an effort to make the overall development viable as well as maximising the quantum of affordable housing on site.

JLL followed the policy and guidance within the NPPF and National Planning Practice Guidance (NPPG), as well as professional guidance on financial viability from the Royal Institute of Chartered Surveyors (RICS).

This viability appraisal was a hypothetical exercise with a hypothetical developer and landowner which could not take into account the particular circumstances of the applicant (which would include the price paid for land). This had been an objective assessment and an appeal inspector would be working within the same parameters of the NPPF and NPPG.

JLL's professional view was that the development was viable with 25% affordable homes. JLL had run a number of viability scenarios with significantly reduced land value (from JLL's recommended £12.4m to £628,000). The £628,000 land value was that used by Homes England to assess the viability of the scheme in deciding to award marginal viability funding to the project. JLL did not support this land value which is the very lowest level of land value that could reasonably be used. Using this low land value however, 35% affordable housing was just viable using the most favourable assumptions. After negotiations the applicant had offered 35%.

The original Committee report had discussed the four main reasons why the development was marginally viable. A key point was that the infrastructure costs were over £1m per gross acre (where costs for typical strategic sites are usually between £100,000 and £500,000 per acre). The nature of the scheme was another factor as it was neither a straightforward housing development nor a business park. The AAP's vision was for a new, high-quality, urban district for the city. The scheme proposed was bespoke.

The last Committee meeting resolved to defer consideration of the application pending two pieces of further information. The first was further modelling work to look at what level of affordable housing could be provided if both cost and value inflation are taken into account.

This work showed that, because build costs are forecast to go up more than sales and rental values in the coming years, the viability picture worsened if inflation was taken into account. So that approach would not lead to an increase in the amount of affordable housing.

If the forecasts were right however, they provide reassurance that securing 35% affordable housing for the site at this point would be a sound decision. If the forecasts were wrong and there was an unexpected growth in values, the review mechanism is in place to increase the amount of affordable housing.

The Committee had also asked for more detail about how the review mechanism would work, this was set out in Appendix 7, formed part of the Heads of Terms for the legal agreement and was discussed in the report.

The review mechanism was based on the Mayor of London's approach. This offered a more simplified approach than running a full new viability appraisal on each occasion and would just focus on key inputs: were there any changes in values and costs compared with what was anticipated? If there was a surplus comparing the difference in values over costs that surplus would be available to be used to increase the percentage of affordable housing on site at the early and mid-stage review. Any surplus identified in the late stage review would be a cash payment towards off-site affordable housing. The

review mechanism was only upwards so there was a guarantee that the minimum would be 35% affordable housing.

The sales values used in the appraisal were specific to Oxford and are at the upper end of the range JLL would expect. There was no reason to question JLL's independence or their findings, working within the NPPF and NPPG, and the RICS guidance on financial viability in planning. It should be noted that the viability work carried out on the site for Homes England by another independent assessor, Deloitte, also found the site to be marginally viable with only 25% affordable housing. In the absence of other evidence there was no reason to change the officers' recommendation that 35% was the most the site could justifiably be required to provide.

Finally, but importantly, the proposal was compliant with the Council's local plan policies on affordable housing.

Transport

One of the six objectives of the AAP was to improve the local and strategic road network and other transport connections. The visualisations presented to the Committee sought to illustrate how the proposals for the A40 and A44 would transform them into "humanised streets", or urban boulevards through speed limit reductions, tree planting and improved bus, cycle and pedestrian infrastructure plus the buildings providing activity onto the street. The central street would have a speed limit of 20mph with no heavy goods vehicles and a more of a multi-modal character in the middle portion to encourage cycling and pedestrian activity. These changes were integral to the development proposal and would have wide public benefits.

The proposals had been shaped with input from Highways England, and the County Council as local highways authority, both of which support the proposals.

If the application was approved the applicant would need to provide a car parking strategy that drives car parking standards down as the development was built out.

It was important to note that the Wolvercote roundabout was not part of this application. The County Council completed works to the roundabout in 2016.

The applicant did not control all the land to deliver a full cycle link from the site to Oxford Parkway, but the proposal includes a requirement for the applicant to work with the other landowners to deliver this link.

In relation to the matter of the Loop Farm link road, this was a matter which was outside the control of the City Council and the planning application before the Committee. The AAP was the policy document against which the application must be assessed and it did not require such a link road. The mitigation package proposed was sufficient to mitigate the impact of the development.

Sustainability

A fundamental part of the energy strategy was a site-wide energy sharing loop network. This was an innovative and low-carbon solution, based on ground source heat pumps which was easy to modularise.

The development takes a 'fabric first' approach – so that buildings are extremely energy efficient. It was seeking to meet BREEAM Excellent standards.

Design

The proposals represent a high-quality progression from the principles in the AAP Design Code which form an appropriate basis and level of detail to ensure coherence and design quality across the site as it is built out, should permission be granted.

The detailed part of the application demonstrated how these principles are to be realised with innovative contemporary interpretations of Oxford's industrial and making architectural heritage.

Balance

The application as a whole complied with the development plan policies, the policies of the AAP and delivers the objectives of the AAP which was central to the Core Strategy for the city.

When an application complies with the development plan, the NPPF requires the Council to approve it without delay.

Further to the additional viability work that has been undertaken, officers were firmly of the view that 35% affordable housing, combined with the upwards only review mechanism, is a good offer for the Council to secure at this point.

Officers were therefore recommending approval subject to the recommended conditions and a legal agreement to include the review mechanism for affordable housing.

Bob Colenutt (Summertown St Margaret's Neighbourhood Forum), Dr Liz Sandis (Local Resident), County Councillor Paul Buckley, and Ben Saward (St John's student) spoke against the application.

David Jackson (Savills) and Andrew Parker (St John's College) spoke in favour of the application. Other representatives were present to answer questions.

The Committee sought clarification and or confirmation about a number of matters from officers and other representatives at the table which included but were not limited to the following.

- The advice received from JLL was independent of both the applicant and Council.
- The land value of £628,000 was the lowest justifiable value and one which just enabled the 35% affordable housing figure to be reached.
- National Planning Practice Guidance stated that a return of between 15-20% of Gross Development Value (GDV) was a suitable return for developers and that the proposal before the Committee represented approximately 16.5% return on GDV.
- The values contributing to the viability assessment were, in JLL's view, at the higher end of the range that might be expected.

- It was clarified that the Greater London Authority (GLA) formula included in the Review Mechanism would need minor modification to reflect the nature of the project, for example, so that instead of profit on GDV in the formula, profit on cost is used, and so that the late stage review refers to the payment of a cash sum rather than provision of on-site affordable housing. Any changes would not weaken the GLA approach.
- The proposed affordable housing review mechanism would seek, in the early and mid-stages, to see more affordable homes built on site, in the third (and final) stage a financial contribution would be payable if there were a net surplus.
- It was noted that if the proposals currently before the Committee were rejected and the matter went to appeal, there would be a risk that the 35% quantum of affordable housing could be reduced
- It was confirmed that Highways England had lifted its holding objection to the application which was confirmed at the 24 September West Area Planning Committee.
- A number of Committee members expressed strong views about the need for a link road to the West of the A34. The AAP does not require a link road west of the A34 and it is not required to deliver the development before the Committee. No weight should therefore be given to this matter in coming to a view about the application before the Committee.
- The Oxfordshire County Council's road improvement programme still included provision of a link road between the A40 and A44 however the funding originally earmarked for it was now being redeployed (it was time limited) pending further modelling.
- Consideration had not been given to an underpass or bridge under or over the main route through the development. The proposals had a significant focus on providing a safe and pleasant integrated environment for pedestrians and cyclists alike. Toucan crossings would allow managed flow. Underpasses were not, now, seen as a preferred option, not least because they were often perceived as unsafe spaces.
- The Council's emerging Local Plan (to be considered by the Inspector in the following weeks) would make some changes to considerations about the proportions of affordable housing such as a requirement that there should be no less than 40% on larger sites (as a starting point). However the new Plan would not be implemented before the summer of 2020 and, in the meantime, the Council's current Local Plan carried more weight.
- The proportion of houses to commercial properties was in line with the requirements of the AAP and would contribute to the City's need to address a housing shortage.
- The data concerning air quality was based on currently available data, assumed the same standards would prevail now as in the future and did not take account of the likely lessening of vehicle emissions over time.
- In relation to the optimum alignment of roofs to gather solar energy, those shown on illustrative masterplan were not final (apart from the three buildings in the detailed part of the application). It was also noted that the alignment of roofs did not have to correspond with the footprint of those buildings, thus offering greater opportunities for optimum alignment.

After debate and on being proposed, seconded and put to the vote, the Committee agreed with the officer's recommendations.

The West Area Planning Committee resolved to:

1. **Approve the application** for the reasons given in the report and subject to the required planning conditions set out in **appendix 5** of this report and grant planning permission, subject to:
 - the satisfactory completion of a legal agreement under Section 106 of the Town and Country Planning Act 1990 and other enabling powers to secure the planning obligations set out in the recommended Heads of Terms which are set out in **appendix 6** of the report;
 - the agreement of appropriate arrangements with Oxfordshire County Council and the applicant about the use of Community Infrastructure Levy payments; and
2. **Agree to delegate authority to the Head of Planning Services to:**
 - finalise the recommended conditions as set out in **appendix 5** of the report including such refinements, amendments, additions and/or deletions as the Head of Planning Services considers reasonably necessary;
 - finalise the recommended legal agreement under Section 106 of the Town and Country Planning Act 1990 and other enabling powers as set out in the report, including refining, adding to, amending and/or deleting the obligations detailed in the Heads of Terms set out in this report (including to dovetail with and, where appropriate, reinforce the final conditions and informatives to be attached to the planning permission) as the Head of Planning Services considers reasonably necessary;
 - complete the Section 106 legal agreement referred to above; and
 - issue the planning permission.

66. Minutes

The Committee resolved to approve the minutes of the meeting held on 12 November 2019 as a true and accurate record.

67. Forthcoming applications

The Committee noted the list of forthcoming applications.

68. Dates of future meetings

The Committee noted the dates of future meetings.

The meeting started at 6.00 pm and ended at 8.40 pm

Chair

Date: Tuesday 10 December 2019