

Notes

OF A MEETING OF THE

Oxfordshire Growth Board Housing

Advisory Sub-Group

**HELD ON TUESDAY 3 SEPTEMBER 2019 AT 6.30 PM
BARRISTERS ROOM, OXFORD TOWN HALL, OX1 1BX**

Present:

Councillors: Robin Bennett (South Oxfordshire District Council), Liz Brighthouse (Oxfordshire County Council), Susan Brown (Chair) Oxford City Council, John Donaldson Cherwell District Council, Neil Fawcett Vale of White Horse District Council, Jeff Haine West Oxfordshire District Council and Mike Rowley Oxford City Council.

Officers: Adrian Arnold, Richard Byard, Kevin Jacob and Paul Staines

7 Apologies for absence and notification of substitutions; declarations of interest; Chair's announcements

There were no apologies for absence.

There were no declarations of interest.

8 Notes of the meeting held on 21 May 2019

The notes of the meeting held on 21 May 2019 were received. It was noted that the meeting scheduled for 16 July 2019 had subsequently been cancelled and it had not been possible to arrange an alternative in July.

9 OxLEP Report on addressing future skills shortage

The Group considered a report setting out:

- An overview of the construction skills landscape in Oxfordshire and how it supported housing and growth ambitions.
- An overview of how OxLEP was supporting the skills agenda and addressing the potential skills shortages whilst recognising the collective responsibility of stakeholders.

Richard Byard, OxLEP Director of Business Development introduced the report and responded to the Group's questions. Key issues highlighted included:

- Oxfordshire has one of the most successful economies in the country, with comparatively low rates of those in receipt of benefits and job seekers allowance. However, despite a low level the cohort on JSA had remained static for decades.
- Oxfordshire had a relatively low level of productivity relative to its peers and other challenges included strain on infrastructure and housing affordability.
- The recently published Oxfordshire Local Industrial Strategy, (LIS) recognised these challenges and set out a vision for innovation led growth. The 'People' (skills) pillar of the LIS had a priority to build a skills system that better responded to local demand.
- Construction skills shortages and challenges across England were well documented. Construction work tended to be transient in nature with workers often travelling long distances to projects and with variations dependent on trade and skills. This had been the experience from very large building projects such as the Westgate Shopping centre. However, large projects also offered opportunities (as Westgate also did) to build in local employment creation such as apprenticeships.
- Nationally, public housing construction had surpassed infrastructure as the sector predicted to see the largest growth in the next five years.
- The Construction Industry Training Board, (CITB) was empowered to impose a levy on employers in the construction industry to support training development through grants and funding, promotion of the construction industry as a career choice including the provision of high-quality apprenticeships, the identification of skills needs across the industry and the development to occupational standards.
- Strong links and a good working relationship existed between the CITB area team and OxLEP which was actively engaged in supporting opportunities to support growth in construction skills locally.
- There had been approximately 22,000 construction related job postings in Oxfordshire during January to June 2019 – 22% higher than national averages and this was expected to increase to 24,000 by 2027.
- There had been c3,600 (all ages) construction training starts in the 2017/2018 with 2,760 achievements, (77%).
- Initial data indicated suggested a significant undersupply of construction related learning activity. Challenges included perceptions and profile of the construction industry that affected its attractiveness as a career, (particularly amongst younger people and women), availability of construction courses and concerns around potential loss of income for schools in recommending vocational education and apprenticeships vs academic study to students.
- Through the Oxfordshire Skills Board, the OxLEP Skills Team was working with a range of partners to improve rates of construction related learning including the Department for Education.
- OxLEP had commissioned research to support the development of robust labour market intelligence (LMI) to help shape the future direction of skills provision aligned to local economic need. Once completed this would inform the creation of a Skills Needs Priority Statement which it was expected would be completed in Easter.
- OxLEP was supporting the delivery of Community Employment Plans (CEPs). CEPs seek to mitigate the impacts of development through ensuring that local people are better able to access job opportunities from development in their area and could form part of Section 106 planning obligations. A CEP had been formed part of the Section 106 planning obligations for the Westgate Development and had been focused on providing employment for those who had been out of work for a long time.
- An updated and developed report could be presented to a future meeting of the Group in January or March 2020.

In discussion, it was felt that it is important for growth to be inclusive and that no sections of the community should be left behind by it. It was also felt important for the Group to consider the potential impact of a skills shortage on the construction of housing as accelerating housing growth is a key part of the Growth Deal.

It was noted that it was assumed that most applicants for construction related job postings within Oxfordshire were resident in the county, but the market intelligence would test and establish this.

Members commented that often small and medium sized developers required skilled staff quickly and did not have the time to train staff. It was important to attract staff.

It was further pointed out that this was a circular argument in favour of affordable housing.

Members queried how the Sub-Group might help with construction training shortages. It was felt that championing and support of CEPs was important as was the encouragement of learning providers to provide more construction skills learning course places.

The Group **agreed** to note the report and requested a further report update report once recently commissioned labour market intelligence had been reported to the Oxfordshire Skills Board.

10 Incomplete Planning Applications

The Group considered an explanatory note and table detailing indicative information on housing requirements and supply in the Oxfordshire district authorities. This followed a request from the Group that it receive information on unfulfilled planning permissions from across the county. It was noted that delivery was broadly on target against the expected trajectory.

In discussion, Members discussed the potential reasons why applications with detailed approval were not enacted quickly, noting factors differed between sites and size of developers and could be influenced by economic factors at the national and even international level. A key factor influencing development was economic certainty.

It was noted that whilst local authorities had played a largely passive role in monitoring the delivery of development sites in the past, the Deal required a shift to more active monitoring and an understanding of how councils could drive, enable or influence development.

It was noted that although HM Government had considered the possibility of a mechanism for the withdrawal of unfulfilled planning applications by local planning applications this had not been taken forward. Committee noted that there were a number of proposals in the Letwin review that would provide tools for councils to enable increased pace of development.

The Group **noted** the paper.

11 Q2 Growth Deal housing from infrastructure and affordable housing programmes monitoring report

The Group considered a report and presentation setting out progress with the two Growth Deal housing programmes, the Homes from Infrastructure (HFI) and the Affordable Housing Programme (OAHF). In summary, it was noted that:

- Homes from Infrastructure - It was projected that by year 5 of the Growth Deal the forecast accelerated number of homes would be 10,491 against a base line figure of 6,549. The Oxfordshire Housing Trajectory Profile for forecast completions was 33,562 against a base line of 29,455.
- Discussions were continuing between Growth Deal Officers and Homes England around possible way of mitigating current financial barriers to the attractiveness of Growth Deal affordable housing funds.
- The delivery position on the Oxfordshire Affordable Housing Programme was as expected more challenging over Year 2. The current programme was 1,295 units against a target of 1,322. In budget terms the current spend would be £50.575m against the budget of £60m.
- As the major barrier to the success of the affordable housing programme was the levels of grant funding available, officers were investigating potential forms of alternative funding to top up funding from the Growth Deal AHP.

It was also noted that Oxford City Council had contributed towards affordable housing in the city, often with land, to ensure affordable housing was delivered and to meet the funding gap.

The Group **noted** the paper.

12 Mapping of major development sites and HIF

The Group considered maps setting out the locations of major development sites related to Housing Infrastructure Fund sites as requested at the previous meeting.

The Group **noted** the report.

13 Date of future meetings

The date of the next meeting as 5 November 2019 was noted.

In terms of future items, it was noted that an update report would be brought by OxLEP to the January or March meeting give an update on skills and progress with Community Employment Plans. In addition to the regular monitoring report on housing from infrastructure and the affordable housing programme, members of the Group were asked to suggest potential future agenda items.

It was agreed that information on a passive housing development in the Cherwell area would be circulated outside of the meeting and information on the costs of zero carbon housing investigated.