

Appendix PV7

Further Alterations to the London Plan policy 3.3
and Table 3.1, paragraphs 3.13 to 3.26

MAYOR OF LONDON



THE LONDON PLAN

**THE SPATIAL DEVELOPMENT STRATEGY FOR LONDON
CONSOLIDATED WITH ALTERATIONS SINCE 2011**

MARCH 2015

very important for health and well-being (see Chapter 7). This can be complemented by other measures, such as local policies to address concerns over the development of fast food outlets close to schools.⁴² Places can be designed to promote health, for example by providing attractive spaces that promote active lifestyles. The Mayor and boroughs will seek to support the delivery of new and improved facilities for sport, walking, cycling, play and other forms of physical activities, including maximising opportunities associated with the legacy of the 2012 Games.

3.12 The voluntary and community sector has an essential role in tackling health inequalities at the local level, particularly in promoting and supporting community involvement.

Housing

3.13 The Mayor is clear that London desperately needs more homes in order to promote opportunity and real choice for all Londoners, with a range of tenures that meets their diverse and changing needs and at prices they can afford. To achieve these aims, he is committed to taking effective steps to encourage the provision of new homes through the policies in this Plan (which deal with identifying housing need and capacity to help meet this) and in his London Housing Strategy (which deals, among other things, with detailed questions of investment and delivery for which he has particular responsibility).

3.14 With a growing population and more households, delivering more homes for Londoners meeting a range of needs, of high design quality and supported by the social infrastructure essential to a good quality of life will be a particular priority over the period covered by the Plan. This section of the Plan brings together policies on housing requirements and supply (including affordable housing), design and quality. It also covers social infrastructure, such as health, education and sports.

London's housing requirements

3.14A The Mayor recognises the pressing need for more homes in London and to help boost significantly the supply of housing, this Plan sets out the average annual minimum housing supply targets for each borough until 2025. These targets are informed by the need for housing as evidenced by the GLA's 2013 Strategic Housing Market Assessment (SHMA)⁴³ and London's housing land capacity as identified through its 2013 Strategic Housing Land Availability Assessment (SHLAA)⁴⁴. Consistent with the National Planning Policy Framework, this approach takes account of London's locally distinct circumstances of pressing housing need and limited land availability and aims to deliver sustainable development.

3.15 Though there are differences in the type, quality and cost of housing across London, the complex linkages

42 Mayor of London. Takeaways Toolkit. GLA, November 2012

43 Mayor of London. The London Strategic Housing Market Assessment 2013 (SHMA). GLA, 2014

44 Mayor of London. The London Strategic Housing Land Availability Assessment 2013 (SHLAA). GLA, 2014

between them mean that for planning purposes, London should be treated as a single housing market. Many of these linkages extend beyond London, underscoring the importance of inter-regional coordination in meeting housing requirements in the wider south east, especially in the adjoining counties.

3.16 As noted in Chapter 1, there is clear evidence that London's population is likely to increase significantly more than was anticipated in the past. However, there is uncertainty as to the actual scale and nature of this increase. This Plan therefore assumes that London's population is set to increase by up to 2 million in the 25 years to 2036 with the level of growth reducing over time, but still remaining significantly above that assumed in the 2011 Plan. There is also uncertainty as to the size and number of future households. As a central assumption the Plan is predicated on average household size falling in line with DCLG assumptions from 2.47 in 2011 to 2.34 persons/household in 2036. Under this assumption, the number of households in London could rise by 1 million⁴⁵ by 2036.

3.16A In view of these uncertainties it is clearly not realistic to plan in detail for the whole of this period, but rather to take the possible long term trend as a 'direction of travel' for which the Mayor must 'plan, monitor and manage'. In this context, the Plan is based on a projection for 40,000 more households a year (2011-2036). These projected trends will be monitored very closely, with a view to a further early revision, or if necessary a full review of the Plan by 2019/20.

3.16b This level of household growth does not represent the growth in housing requirements over the life of the Plan. This is identified through the GLA's SHMA⁴⁶ which draws on government guidance⁴⁷ to identify London's need for both market and affordable housing. As well as demographic trends the SHMA reflects the Mayor's intention to seek to address the existing backlog in housing need and takes account of the range of factors which bear on this. On this basis, the central projection in the SHMA indicates that London will require between approximately 49,000 (2015-2036) and 62,000 (2015-2026) more homes a year. This range incorporates different levels of population change over the period, the time taken to address current need (backlog) and the anticipated under delivery between 2011 and 2015. The 2015-2036 figure of 49,000 additional homes a year provides the basis for the detailed housing need figures set out in this Plan. In light of the projected higher need, especially at the start of the plan period, this figure should be regarded as a minimum.

3.17 On the supply side, the London SHLAA is designed to address the NPPF requirement to identify supply to meet future housing need as well as being 'consistent with the policies set out in this Framework'⁴⁸, not least its central dictum that resultant development must be sustainable. The SHLAA methodology⁴⁹ is designed to do this authoritatively in the distinct circumstances of London,

46 ibid

47 CLG SHMA Practice Guidance 2007

48 CLG NPPF op cit para 47

49 Mayor of London. SHLAA. 2014 op cit

including the limited stock of land here and the uniquely pressurised land market and dependence on recycling brownfield land currently in existing uses. This methodology has been developed and refined over time through partnership working with boroughs and others involved in London housing, as well as to reflect the principles of government guidance on preparation of SHLAAs nationally⁵⁰.

3.17A Following the national imperative to address identified need, the 2013 London SHLAA has been more rigorous than its predecessors in testing potential housing capacity. Its results have been translated in Table 3.1 as minimum housing supply targets. It shows that over the period 2015 to 2025, London has capacity for at least 420,000 additional homes or 42,000 per annum.

3.17B This is not unrealistic in terms of the granting of planning permission – since 2008, despite a major economic downturn, an average of almost 55,000 homes have been approved each year⁵¹. The greatest challenge is in translating this capacity into completions. As independent research has shown⁵², the planning system can help in this but it is by no means the only barrier to delivery of homes on the ground (see para 3.85a). It is clear that a step change in delivery is required if London is to address its housing need.

3.18 As context for this, boroughs must be mindful that for their LDFs to be

found sound they must demonstrate they have sought to boost significantly the supply of housing as far as is consistent with the policies set out in the Framework⁵³. Of particular importance in this regard is the overarching national objective to secure sustainable development⁵⁴ and the need to secure actual delivery⁵⁵. To address government requirements soundly in the unique circumstances of London means coordinating their implementation across the capital's housing market through the capital's unique two tier planning system where the development plan for an area is composed of the Local Plan and the London Plan, and the Local Plan must be in general conformity with the London Plan.

3.19 London is part of a global and national housing market as well as having its own, more local and acute housing need which place a unique challenge in reducing the gap between need and supply. Boroughs should use their housing supply targets in Table 3.1 as minima, augmented with additional housing capacity to reduce the gap between local and strategic housing need and supply. In this regard, town centres (see Policy 2.15), opportunity and intensification areas (Policy 2.13), and other large sites (Policy 3.7) could provide a significant increment to housing supply. In addition, the process of managing the release of surplus industrial land should focus on bringing forward areas with good public transport accessibility which will be particularly appropriate for high density development (Policy

50 CLG SHLAA practice guidance. 2007

51 Mayor of London. SHLAA. 2014. Op cit

52 Molitor London. Barriers to Housing Delivery. What are the market perceived barriers to residential development in London. GLA 2012

53 CLG NPPF 2012 op cit para 47

54 CLG NPPF 2012 op, cit, paras 6-10

55 CLG NPPF 2012 op cit para 174

2.17). Experience in preparing opportunity area and other development frameworks (such as those for intensification areas and town centres, as well as broader proposals for growth corridors), demonstrates that through detailed partnership working in light of local and strategic policy, housing output from these locations normally exceeds that anticipated by the SHLAA – frequently by a significant margin.

3.19i To ensure effective local contributions to meeting London's need for 49,000 more homes per annum, Local Plans should therefore demonstrate how individual boroughs intend to-address in terms of Policy 3.3 the relevant minimum housing supply target in Table 3.1 and seek to exceed the target through:

- additional sources of housing capacity, especially that to be brought forward from the types of broad location set out in Policy 3.3;
- collaborative working with other relevant partners including the Mayor, to ensure that the Local Plan is in general conformity with the London Plan and includes final minimum housing targets identified through the above process; and
- partnership working with developers, land owners, investors, the Mayor and other relevant agencies to secure the timely translation of approved housing capacity to completions taking account of Policy 3.15.

3.19A National policy requires boroughs to identify a supply of specific

deliverable sites sufficient to provide 5 years' worth of housing against their housing requirements, with an additional buffer of 5% moved forward from later in the plan period (or 20% where there has been persistent under delivery). In compiling their 5 year supply estimates boroughs should demonstrate that they have maximised the number of identified sites. However, given London's reliance on recycled land currently in other uses, it must be recognised that in addressing this national policy objective, capacity which elsewhere in the country would be termed 'windfall' must here form part of the 5 year supply. In order to support the range of activities and functions required in London as set out in this Plan, application of the 5% - 20% buffers should not lead to approval of schemes which compromise the need to secure sustainable development as required in the NPPF.

Housing Supply

POLICY 3.3 INCREASING HOUSING SUPPLY

Strategic

- A The Mayor recognises the pressing need for more homes in London in order to promote opportunity and provide a real choice for all Londoners in ways that meet their needs at a price they can afford.
- B Working with relevant partners, the Mayor will seek to ensure the housing need identified in paragraphs 3.16a and 3.16b is met particularly through provision consistent with at least an annual average of 42,000 net additional homes across London¹ which will enhance the environment, improve housing choice and affordability and provide better quality accommodation for Londoners.
- C This target will be reviewed by 2019/20 and periodically thereafter and provide the basis for monitoring until then.

LDF preparation

- D Boroughs should seek to achieve and exceed the relevant minimum borough annual average housing target in Table 3.1, if a target beyond 2025 is required, boroughs should roll forward and seek to exceed that in Table 3.1 until it is replaced by a revised London Plan target.

Da Boroughs should draw on the housing benchmarks in table 3.1 in developing their LDF housing targets, augmented where possible with extra

housing capacity to close the gap between identified housing need (see Policy 3.8) and supply in line with the requirement of the NPPF

- E Boroughs should identify and seek to enable additional development capacity to be brought forward to supplement these targets having regard to the other policies of this Plan and in particular the potential to realise brownfield housing capacity through the spatial structure it provides including:
 - a intensification (see policies 2.13, 3.4)
 - b town centre renewal, especially centres with good public transport accessibility (see Policy 2.15)
 - c opportunity and intensification areas and growth corridors (see policies 2.13 and 2.3)
 - d mixed use redevelopment, especially of surplus commercial capacity and surplus public land, and particularly that with good transport accessibility (see policies 2.7, 2.11, 4.2-4.4)
 - e sensitive renewal of existing residential areas, especially in areas of good public transport accessibility (see policies 3.4, 3.5, 3.14).
- F Boroughs must identify new, and review existing housing sites for inclusion in LDFs.
- G Boroughs should monitor housing capacity and provision against the average targets in Table 3.1, local housing needs assessments and the sensitivity ranges set out in the SHLAA report and updated in the London Plan Annual Monitoring Report.

¹ Net additional homes including additional dwellings provided by development and redevelopment, conversion of residential and non-residential property, long term vacant properties brought back into use and household spaces in non-self-contained accommodation.

3.24 Table 3.1 only covers the period 2015 – 2025. LDFs which come forward following publication of this

Plan and before its replacement or alteration will not be covered for their full term by the current targets. The Mayor therefore commits to revising

the targets by 2019/20. In order to provide guidance for any intervening period, LDFs should roll forward the annual targets in Table 3.1 expressing

Table 3.1 Annual average housing supply monitoring targets 2015 – 2025

Borough	Minimum ten year target	Annual monitoring target
	2015-2025	2015-2025
Barking and Dagenham	12,355	1,236
Barnet	23,489	2,349
Bexley	4,457	446
Brent	15,253	1,525
Bromley	6,413	641
Camden	8,892	889
City of London	1,408	141
Croydon	14,348	1,435
Ealing	12,972	1,297
Enfield	7,976	798
Greenwich	26,850	2,685
Hackney	15,988	1,599
Hammersmith and Fulham	10,312	1,031
Haringey	15,019	1,502
Harrow	5,927	593
Havering	11,701	1,170
Hillingdon	5,593	559
Hounslow	8,222	822
Islington	12,641	1,264
Kensington and Chelsea	7,330	733
Kingston upon Thames	6,434	643
Lambeth	15,594	1,559
Lewisham	13,847	1,385
LLDC	14,711	1,471
Merton	4,107	411
Newham	19,945	1,994
Redbridge	11,232	1,123
Richmond upon Thames	3,150	315
Southwark	27,362	2,736
Sutton	3,626	363
Tower Hamlets	39,314	3,931
Waltham Forest	8,620	862
Wandsworth	18,123	1,812
Westminster	10,677	1,068
London total	423,887	42,389

the rolling target as an indicative figure to be checked and adjusted against any revised housing targets.

3.25 Monitoring the housing supply figures is an essential part of the 'plan, monitor and manage' approach taken to ensure that the London Plan delivers as many additional homes each year as is practicable. Annex 4 sets out the components of the targets which the Mayor will use for monitoring supply.

3.26 The SHLAA methodology provides for phasing of development of individual sites in the future. However, an annual monitoring target based on the average capacity estimated to come forward over ten years may not fully reflect unique uncertainties in housing output arising from changes in the economy. Boroughs may wish to highlight the implications of these uncertainties for achievement of their targets in their Annual Monitoring Reports (AMR), drawing on the strategic context provided by the SHLAA report, the London Plan AMR and the Housing SPG.

3.28 A rigorous appreciation of housing density is crucial to realising the optimum potential of sites, but it is only the start of planning housing development, not the end. It is not appropriate to apply Table 3.2 mechanistically. Its density ranges for particular types of location are broad, enabling account to be taken of other factors relevant to optimising potential – local context, design and transport capacity are particularly important, as well as social infrastructure (Policy 3.16), open space (Policy 7.17) and play (Policy 3.6). These broad ranges also provide the framework within which boroughs can refine local approaches to implementation of this strategic policy through their LDFs⁵⁶. Where appropriate, they can also provide a tool for increasing density in situations where transport proposals will improve public transport accessibility in the future. It is important that higher density housing is not automatically seen as requiring high rise development.

3.28A Geographically specific guidance on implementation of policy 3.4 is provided for Opportunity and Intensification Areas in paragraphs 2.61 and 2.62; for Town Centres in Policy 2.15 and paragraphs 2.72B – 2.72H and 4.42A-B; for surplus industrial land in paragraphs 2.85 and 4.23 and for other large housing sites in paragraph 3.42. More general guidance on implementation of Policy 3.4 is provided in the Housing SPG including exceptional circumstances where densities above the relevant density range may be justified.

POLICY 3.4 OPTIMISING HOUSING POTENTIAL

Strategic, LDF preparation and planning decisions

A Taking into account local context and character, the design principles in Chapter 7 and public transport capacity, development should optimise housing output for different types of location within the relevant density range shown in Table 3.2. Development proposals which compromise this policy should be resisted.

⁵⁶ CLG NPPF 2012 op cit para 58