RESPONSE TO CONSULTATION ON DRAFT LONDON PLAN BY THE HIGHBURY GROUP ON HOUSING DELIVERY

This response focuses on policy proposals relating to housing supply

Chapter 1 Overview of the Plan and Good Growth Objectives

1.6 This brief paragraph has a recognition that London is interlinking with neighbouring areas, while stating that the Mayor's powers are limited to the administrative London area. There is however no analysis within the draft Plan as to what these links actually are and the case for a more strategic approach to planning partnerships with other planning authorities as raised by planning inspectors at previous London Plan Examinations in Public is not considered. There is only a brief reference in MBLU1A3 to supporting cross boundary coordination of opportunities, particularly along growth corridors. The Functional Urban Region in fact goes well beyond the London boundary to include large areas of the former South East and East of England regions. There is no recognition of the potential role of the wider south east in contributing to meeting the substantial deficit between London's assessed housing requirements as assessed in the Strategic Housing Market Assessment (SHMA) and the capacity for residential development within London as identified in the Strategic Land Availability Assessment (SHLAA). The Plan should acknowledge that coordination of development across the London administrative boundary is critical (as did successive Inspector's reports following previous Examinations in Public) and should put forward a framework for such coordination.

1.7-1.8 Good Growth Objectives

While we would support the Good Growth objectives in general terms, there is no recognition of the potential conflicts between different objectives. Moreover by setting out such a wide range of objectives, there is no acknowledgement that some objectives may need to be prioritized over others. The different objectives have differential impacts on different interest groups and there needs to be some reference to the Equalities Impact Appraisal of meeting or seeking to meet the different objectives, not just in relation to the impact of delivering housing targets discussed in para 1.19. For example there is no assessment pf the potential conflict between competing land use requirements, and while there is an assessment of capacity for residential development, there is no assessment of the capacity for other land uses required to meet other policy objectives. While Chapter 6 provides an overview of policies for different types of area within London, there is no overall

assessment of London's capacity to meet all kits development requirements within the London administrative area.

1.9-1.18 Housing targets and capacity

The draft Plan uses the Government's 84,844 pa housing target as its assessment of housing requirement. This target is not based on either a housing needs/market assessment or assessment of residential development capacity. The assessment of housing requirements as set out in the Mayor's new Strategic Housing Market Assessment is actually 89,300 per annum for the next ten years. The new proposed capacity based annual target of 56,100 should therefore be compared with the 89,300 figure and not the 84,844 figure. The Government is reviewing the methodology on which the 84,844 figure is based, and it is possible that the Government will revise the 84,844 figure before the London Plan is adopted. The Mayor should therefore keep to the 89,300 figure which is based on a relatively sound objective assessment of housing needs, as required by government guidance and disregard both the current government target or any new target derived from a revision of the current methodology.

The draft Plan states that 60% of SHMA requirement figure is for affordable housing, while the Plan retains the strategic target of 50%. The issue of the disaggregation between social rent and intermediate is discussed below. Moreover the GLA has not as yet published the update of the 2024 based projections published in May, which input into the SHMA. These are due to be released on 20 August.

Residential development capacity is given as 55,800 pa based on SHLAA.
Although the SHLAA is now published, it is not explicit as to all the assumptions behind this figure, for example density assumed for individual sites, though the SHMA does refer to the application of its new Optimisation Framework. The incorporation of this new framework into the policies in the draft plan is discussed in relation to policy MBUL2 below. However the references to the previous London Plan density policy and matrix in paras 5.8 and 5.11 of the SHLAA are factually incorrect or misleading, which raises questions as to the justification of the new approach.. The draft Plan gives targets by borough, broken down between brownfield sites and green belt sites. There is no separate figures for small sites as in the previous plan, though this component is given in the SHLAA. Brownfield capacity is given as 502,351 and greenfield sites (which are listed in an annex) as 56,100.

However in relation to Govt target, the gap between capacity and Govt target is 29,200 per annum or 292,000 over 10 years, with deficit being somewhat higher at 33,700 per annum or 337,000 over 10 years if the SHMA figure is used as the comparator.. Depending on assumptions re household size, this could involve anywhere between 500,000 and 750,000

people, for whom housing will not be provided. There is no indication of how this deficit is to be met, though the deficit is acknowledged.

Chapter 2 Making Best Use of Land and Achieving Good Growth

Paras 2.1-2.7 focus on the extent to which residential development can be provided on brownfield sites and the justification for including some green belt sites in the assessed development capacity. However these paragraphs do not given any indication that there has been any consideration of alternative development options or any impact analysis of different options. It is recognized that the draft plan has to focus on a single proposed strategic development approach, but the focus on the distinction between brownfield and green belt sites ignores other aspects – for example different approaches to densification in different locations and different approaches to the built form of development which should have been considered. A background paper reviewing alternative development options would have been helpful to justify the Mayor's chosen strategi approach. Any such paper could have considered the role of alternative development scenarios incorporating development in the wider London city region, including the role of major new settlements. the proposals from the New Town Task force and from central government both within and beyond the London administrative boundary. Part of the justification for major new settlements beyond the London administrative boundary is to contribute to meeting the housing deficit identified in the London Plan. Given the functional urban region should be treated as a single housing market area.

MBUL1 Spatial Strategy

We support the approach in general terms, while noting that the strategic approach is based on treating the GLA area as self-contained rather than as the central component of a Functional Urban Region. As stated above, there is an uncontestable case for coordination of strategic planning across the wider region , not just in relation to opportunities in growth corridors, and policy MLUB1 A3 is inadequate.

MBUL2 Optimising the Use of Land and Site Capacity

The Optimisation Framework and Table 2.1

We welcome the re-introduction of a density policy into the London Plan. The removal of the density policy in the 2021 Plan was in our view a serious error, as the policy and specifically the density matrix could have been updated as we proposed at the Examination in Public rather than deleted. This deletion and the subsequently failure to monitor density of residential development with the dropping of the Key Performance Indicator has in our view been at least partly responsible to the extent of recent residential development which

has been inappropriate to contributing to meeting the needs identified in previous Strategic Housing Market Assessments.
The incorrect and misleading references to the pre 2021 policy in the new SHLAA only demonstrate the lack of understanding of the previous policy and its purpose. For example para 5.8 re-establishes the relationship between residential density and transport connectivity. This is welcomed. However the paragraph does not acknowledge that transport connectivity was central to the policy of Sustainable Residential Quality (SRQ), the calculation of site capacity in previous SHLAAs and consideration of development applications as the Public Transport Access Level (PTAL) was incorporated into the density policy and the density matrix, with PTAL's updated prior to each London Plan review, until the policy was dropped in the 2021 Plan.

Para 5.11 of the SHLAA refers to the previous matrix setting densities in terms of units per hectare not habitable rooms per hectare. This is factually incorrect, as the matrix gave densities in both units per hectare AND habitable rooms per hectare in order to demonstrate that assessing habitable rooms per hectare allowed a focus on population density and the need for different sizes of homes in term of habitable rooms per dwelling to reflect the range of household sizes who needed housing.

The proposed new policy is however deficient . Firstly it makes no reference to the importance of a density policy enabling the development of a range of dwelling types and sizes, appropriate to meet a wide range of assessed housing needs, which was central to the policy in London Plans in effect between 2008 and 2021. Moreover by varying density ranges according to the height of a building, this promotes high rise dwellings, as a means to maximise both units and habitable rooms, without any regard to the context of the development including public transport access. Maximising housing output through built form, as well as disregarding any relationship between built form, household size and affordability, also disregards the fact that increasing the number of people living on a site increases the demand for public transport and other social infrastructure – in other words density is driven by built form and not by any concept of Sustainable Residential Quality – this is in effect a return to maximization of development rather than optimization. The evidence for this new approach is unsound. The columns in the matrix relating to building height must be deleted..

MBUL3 Tall Buildings

There is no consideration in the policy and justification as to the extent to which a specific proposal for a tall building contributes to meeting development requirements (including housing requirements set out in the SHMA) and the policy objectives set out elsewhere in the Plan. Tall buildings as a built form may or may not be the best approach to meeting a specific requirement or policy objective but a policy which considers the issue of a specific

built form as a separate issue relating purely to locational and 'skyline' factors, independent of any consideration of the purpose of a specific building in terms of land use is inadequate and devoid of any rational assessment.

Chapter 3 Delivering the homes and neighbourhoods London needs

HN1 And Table 3.1

The table of borough targets is disaggregated between brownfield sites and Greenfield sites. The latter is in fact sites within the currently designated Green Belt, rat her than greenfield sites, which could include Metropolitan Open Land and greenfield sites without any current designation. The brownfield sites targets could however be disaggregated between large sites (that is identified sites) and small sites (which are generally estimated based on past trends of development rather than based on identified sites). The small sites figures are given in the SHLAA, and incorporation in the Plan would allow for separate monitoring of delivery of the different components of the targets. This could be included as an annex to the Plan.
It is also unclear in the Plan how student housing and other non self-contained housing (including hostel provision) is to be treated and whether they are included in the targets. As these forms of provision to do contribute to the supply of general needs housing, they should be kept separate and monitored separately.

HN2 Protecting and Reshaping housing

We support the proposed policy for requiring the replacement of social housing, lost through estate regeneration schemes, in terms of floorspace. However the mix of units needs have to have regard to the needs of displaced residents and this should not necessarily be predicated on either increased densities or changes in the built form, including height, of replacement dwellings.

HN3 Delivering Affordable Housing

We do not support the proposed variation of affordable housing thresholds by borough. The location of affordable housing should be based on a) the assessment of local and sub-regional housing requirements and b) the capacity of sites in a specific borough to provide appropriate affordable housing, with prioritisation being given to the provision of social rented homes. This should not be driven solely by a modelling of viability appraisals. The viability of development varies between sites within a borough and depends on a range of site specific fact as well as factors relating to a specific development proposal. Moreover the viability of developments can vary over time, including changes in costs and sale prices, as well as the availability of subsidy and it is therefore inappropriate to fix a specific threshold for the 5 year plan period. All development proposals should be assessed against

the Plan's for schemes which cannot meet these targets. As the Mayor now has the power to allocate grant, this requires co-ordination between the Mayor's planning and housing functions.
The approach proposed by the Mayor in the Plan would actually concentrate new social housing in the areas of London which currently have higher proportions, while lowering the requirement in those suburban boroughs which have high proportions of owner occupiers and relatively low proportions of social rented housing. This approach reinforces existing spatial divisions in tenure and moreover fails to take the opportunity available to provide medium density homes, including family sized homes in suburban areas , in effect forcing social rented homes into higher density schemes. The approach proposed by the Mayor is in effect a developer led approach which seeks to protect developer investment and returns rather than the required spatial planning approach based on ensuring the most appropriate use of available sites to meet the priority needed assessed in the SHMA. This is a fundamental error in the Plan and contrasts with the approach set out in the original 2004 London Plan and subsequent plans. The government's intention in transferring housing investment resources to the Mayor was to allow the Mayor to use these powers in a more strategic manner, and not just react to the changing pressures of the private development market.

HN3A3 and HN3D1 Affordable housing target and mix of low cost rent and intermediate housing

The affordable housing target is given as 339,880 (60% of capacity target) with social rent as 219,940 (39%) and intermediate as 119,940. Clearly capacity is 33% short of target. To meet social rented need, the social rent target should be much higher (and potentially the intermediate target lower, with market housing treated as a residual). The strategic target is left at 50%, despite the assessed requirement being 60%. However the delivery of the 50% target is going to be undeliverable, given the target for affordable housing on public land is set at only 40% (down on 50% assumption in current plan) with targets for viability threshold for private sector schemes for individual boroughs set by zone, ranging from 35% in central boroughs, to 25% in outer ring of inner London and only 20% in suburban boroughs . (This compares with 35% for all boroughs in current Plan, reduced to 20% in recent emergency measures). This clearly will not aggregate up to anywhere near 50% London wide strategic target unless there are a high number of 100% affordable schemes, which will require a massive increase in grant funding.

HN3C and Table 3.3 Affordable housing thresholds for small sites.

We object to the blanket proposal for a fast-track threshold of 20% affordable housing for brownfield sites between 10 and 35 homes. This ignores the fact that site specific appraisals will demonstrate that much higher levels of affordable housing can be achieved either on-site or off-site from development of small sites where high sales values can be achieved for market homes.

HN3J1 Off site provision

The criteria for off-site provision should include the provision that the developer return from an agreement on off-site provision should be no greater than achieved if the affordable housing provision was made on site. This can be assessed through the viability appraisal process. A planning application which includes provision for affordable housing provision, whether on- or off site, should include details of the provider and/or manager of both the social rented and intermediate housing provision and details of the agreement between the various parties involved in the development, including any Registered Provider.

HN5 Purpose Built Student Accommodation

Such accommodation does not contribute to housing available to meet general housing needs and is generally developed on the basis of a contract with a specific higher education institution or institutions. Such provision should ideally be made within the institution's existing campus, or otherwise on a site which is unsuitable for general needs social rented, intermediate or market housing..

HN7 Housing size mix.

There is no guidance on dwelling mix/ household size, number of bedrooms. This is left to LAs to determine, with reference to the (as yet unpublished) SHMA. The implication is that developers should have flexibility on mix, which will inevitably be market driven. The Plan should include London-wide targets for bedroom size mix by different tenures based on the assessment in the SHMA. Schemes which are at variance from these targets should be required to demonstrate the justification for this. The built form of a specific scheme should be based on the extent or the range of needs assessed in the SHMA, taking into account the specifics of the site location and any specific localised needs.

Note: The Highbury Group on Housing Delivery comprises an independent group of specialists from the public, private and independent sectors with a membership drawn from housing, planning and related professions; it offers advice and makes representations to Government and other agencies on a variety of subjects, with the aim of maintaining and increasing the output of housing, including high quality affordable housing. The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of all individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

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