

Housing supply and targets

M19. Are the overall 10 year housing target for London and the target for the individual Boroughs and Corporations set out in Policy H1 A and in Table 4.1 justified and deliverable? In particular:

- a) Are the assumptions and analysis regarding site suitability, availability and achievability and development capacity for large sites in the Strategic Housing and Employment Land Availability Assessment (SHLAA) reasonable and realistic?

We were glad to be included in the SHLAA methodology working group and made representations that (i) council estate regeneration schemes should not be treated as available sites unless and until the schemes had been approved through a proper and transparent process including resident ballots and inclusion in local plans. This does not appear to have been the case; (ii) that industrial and employment land should not be included as available unless and until the impacts on jobs and services had been evaluated through transparent procedures (iii) that density assumptions on large sites should not be escalated above the mid-points of the matrix ranges inside or outside Opportunity Areas. None of these requests was accepted. We accordingly do NOT consider that the capacity estimates are acceptable.

We strongly support the Highbury Group who said in their March submission: “The new SHMA explicitly assumes densities towards the top of the applicable range (for example 355 dwellings per hectare (dph) in the highest range of 140-405 for schemes in the central area with PTAL of 4-6) or 65 dph in the lowest range of 35-75 for schemes with PTAL of 0-1 in suburban areas. It then assumes a further uplift to top of the applicable range in town centres and a further uplift significantly above the top of the range in Opportunity Areas. The justification given is that in practice consented schemes in Opportunity Areas have been at these density levels. In effect the SHLAA is replacing capacity estimates based on the SRQ principles by capacity estimates which reflect that in practice density policies have been breached.

So, the assumptions on which housing targets are based are in effect set to reflect practice, which has generally not accorded with policy, rather than the actual policy. This reflects the abandonment of the principles of Sustainable Residential Quality in favour of reinforcing and legitimising current trends in development. The housing targets set therefore have no regard to either the form or mix of homes to be built.”

We also oppose the implied household size mix embodied in the capacity estimates. By assuming a very high proportion of small units, the SHLAA produces an inflated capacity measured in number of units. Had the SHLAA used the higher proportion of family-size units actually needed (as estimated in the SHMA) the capacity measured in units would shrink but more need would be met. The submission of the New Policy Institute is important on this point. [Neither Highbury nor NPI is invited to today's session.]

- . b) Have the environmental and social implications of the proposed increase in housing targets been fully and properly assessed?
- . No there has not been an integrated approach to site selection (see previous point). Sites have been included where there will be loss of green space and community space. The methodology should have included a Fact Check of what exists on site, with local community and business input. There is a need for bottom up community involvement to balance a top down process. Neighbourhood plans and Forums, where they exist, could make a valuable contribution to the sifting of sites for the SHLAA and in site allocations for local plans and the London Plan should support this.
- . Nor have the economic impacts been evaluated which we regard as a very serious problem given the reliance of the capacity estimates on release of SIL and other industrial land, the proposed redevelopment of town centres and the failure to protect high streets. All of these will generate losses of employment and of the benefits of the services and products corresponding to those jobs. Neither the SHLAA nor the draft Plan even contains an estimate of the jobs at risk.
- . c) Policy H1 B 2) a)-f) identifies various sources of capacity. Will these be sufficient to meet the ten years targets and what proportion of housing is expected to be delivered by means of the different types? How much is expected to be delivered on existing industrial land in the context of Policies E4-E7?
- . We echo the panel's questions and consider that the GLA planning team should be prevailed upon to answer them.

As evidence, we provide details on site allocations in the Old Kent Road Opportunity Area and other parts of Southwark made in the New Southwark Plan submission version December 2017. This is taken from a representation made by Vital Old Kent Road.

“It is proposed to remove SPIL designation from 10 industrial sites, redesigning each of them for mixed development without any policy requirement that replacement B

class space be industrial of similar quantum as existing, nor indeed requiring any replacement of industrial accommodation. There are also site allocations for a further 22 currently industrial sites, the majority of which are proposed for mixed-use redevelopment without any policy requirement that replacement B class space be industrial of similar quantum as existing, nor indeed requiring any replacement of industrial accommodation. At least another 45 small undesignated industrial sites have no site allocations, and nothing in proposed NSP policy would prevent their redevelopment without any replacement industrial accommodation.

Taking 120ha as the current land extent of industrial in the borough, the current areas of SPIL and LSIS (as protected in the adopted Local Plan, 2016 updated map) that are included within NSP site allocations, with no requirement to replace industrial accommodation, total **57ha**

Currently undesignated industrial areas that are included within NSP site allocations, with no requirement to replace industrial accommodation, total **21ha**

Current SPIL and LSIS sites, proposed for mixed development including residential and B class accommodation, but no requirement for industrial, nor quantum, are stated:

- NSP10 (Biscuit factory) railway viaducts currently SPIL
- NSP57 (Mandela Way)
- NSP56 (Crimscott + C&B)
- NSP66 (St James's etc)
- NSP67 (Verney etc)
- NSP89 (Hatcham)
- NSP70 (Ilderton Road)
- NSP68 (Devon and Sylvan)
- NSP65 (Asda etc)
- NSP23 (Parkhouse)

Site allocations for development on currently undesignated industrial

- NSP10 (Biscuit factory) parts other than railway viaducts
- NSP11 (Tower Workshops)
- NSP13 (Old Jamaica Road Business Estate)
- NSP22 (Camberwell station)
- NSP25 (Valmar)
- NSP26 (Camberwell Bus Garage)
- NSP27 (Abellio garage)
- NSP28 (Camberwell station rd / Warner rd)
- NSP30 (Lomond Grove laundry)
- NSP31 (Edmundson)
- NSP37 (Kwik Fit etc)
- NSP39 (Railway Rise)
- NSP41 (Goose Green)
- NSP43 (Bakerloo depot)
- NSP44 (Newington Causeway)
- NSP50 (Bath Trading Estate)
- NSP64 (stables)

NSP71 (Toys are us)
NSP73 (Kwik Fit)
NSP74 (Blackfen)
NSP77 (East of Rye Ln)
NSP82 (Harsworth Quays etc)”

- . B2a is deficient because the distance of 800m from town centre BOUNDARIES will include many places where accessibility is actually very poor and which would not be eligible on PTAL grounds. Much better for the reference to Town Centres to be deleted: PTAL (which also includes bus stops) is a much better measure of public transport. (We have urged the inclusion of passenger capacity in the next revision of PTALs in the context of Policy D6.) If the intention behind B2a is to add population close to the availability of services (thus supporting Lifetime Neighbourhoods) then this should be achieved separately and directly and should refer to High Streets as well as Centres.
- . d) Will the focus on existing built up areas rather than urban extensions using GB/MOL provide sufficient variety of house types and tenure?
- . Crucial importance of protecting MOL and other green space; Variety of housing types, dwelling sizes, affordability and tenures needs to be regulated by planning policy for central, inner and outer London irrespective of whether MOL/GB is used.
- . e) Is the emphasis on development in outer London consistent with the intention in Policy GG2 that seeks to proactively explore the potential to intensify the use of land on well-connected sites?
- . Yes, given that the proposals for outer London are guided, among other things, by public transport considerations. We consider that the retention and enforcement of numerical upper limits to density would make this more effective by limiting land price escalation – for debate later in the EiP (Policy D6).
- . The policy should explicitly refer to lifetime suburbs, the potentiality of which does not depend on PTAL but could help reduce the need for travel everywhere. In this context some forms of specialised housing aimed at retired and other non-commuting residents should be especially encouraged.
- . We should also stress that the needs of outer London for non-radial transport

improvement (buses and fixed-track systems) is strong and not adequately served by the current draft Plan.

- . f) Does the Plan adequately consider the cumulative impacts of other policies on the deliverability and viability of housing?
- . No. (i) the cumulative impacts of the diversion of land from other uses to residential have not been evaluated (see above) and (ii) we are very concerned about the inadequacy of social infrastructure provision for growing populations. While measures could be introduced to rectify this (e.g. our call for Social Impact Assessment) prior to major projects, the cumulative growth of needs for social infrastructure resulting from incremental densification and the small sites policy needs to be addressed by clear policies in the London Plan and/or by mechanisms which ensure that boroughs take appropriate actions – perhaps associated with their CIL studies and/or codes of practice for small sites.
- . g) What is going to bring about the step change in delivery implied in the Plan compared to the current one? What are the tools at the disposal of Boroughs in 1.4.6? Is it realistic to expect this to occur from 2019 or should there be a stepped or transitional arrangement?

The Mayor acknowledges the need in his Housing Strategy for legislative and policy change to meet London's distinctive needs. The need is for a set of tax and legal changes which the Plan should at least discuss in text.

Much of this programme of land and taxation reform needs legislation and the British constitution means that would depend on Westminster. However

- (a) London could and should take the lead in a city-wide and national debate;
- (b) There is a big education, research, media and policy-design job to be done on this related set of land reform and tax topics. Here the Mayor should take a lead, engaging community voices, academic institutions, research councils... and learning from Scottish and other international experience and building on some of the work done by the London Finance Commission. The Mayor should host an international conference to bring together these examples, experiences and experts. The London Finance Commission should be rebranded **The London Land Commission**, with a much wider remit.

- (c) The Mayor has expressed his commitment to lobbying government for legislative and policy change to meet London's distinctive needs and he should add to his lobbying agenda the following priorities:
- a. Viability: rolling back the ill-effects in London of 'viability testing'
 - b. Existing Use Value compensation in CPOs
 - c. Local government finance review: replacing council tax & business rates. This should include higher tax rates for higher value residential bands, a capital gains tax to replace stamp duty and tax related to effective occupation of homes —steps towards a full land value or property value tax. Enabling powers for participatory budgeting.
 - d. Rules governing the disposal of public land by NHS, HMP, Network Rail and other public services with citizen triggers (for example petitions that trigger a local referendum, a debate by the London Assembly). See NEF campaign to retain freehold of land in public ownership and campaign to resist privatisation of public realm
- (d) There are many things the Mayor can do now, using existing powers, including
- a. Lowering land price expectations by
 - i. Enforcing upper density limits without flexibility
 - ii. Enforcing his 35% affordability threshold without flexibility
 - iii. Specifying the date at which 35% will become 50%
 - iv. Making his definitions of "affordable" housing much more affordable, relating them to local incomes, not local market rents
 - v. Applying his requirement of no net loss of social housing equally across all renewal schemes over which he has any planning or financial leverage
 - b. Require that TfL and other Mayoral-family lands that are disposed of for housing development are used substantially for social housing or other social purposes

Without prejudice to our challenge above, the achievement of the London Plan targets will be extremely demanding for boroughs and GLA alike and the proposals in the plan are not believable. Our fear is that the Mayor's imperatives will, in the absence of radical additional powers and money, impose severe damage —economic, social and environmental— through the various intensification policies.

Boroughs will, in some cases, need instructions from the London Plan (not just “tools”) to raise their outputs and we particularly resist the proposal in policy H7A that boroughs should have discretion over the affordable housing proportions in their total outputs.

Expecting the 65,000 annual output to magically commence in 2019 is entirely unrealistic, especially given all the market uncertainties surrounding brexit. We propose that the 1st 5 year supply target is lower.

- . h) Should Table 4.1 include targets for different types and tenures of housing?
 - . Yes, the Boroughs should be given separate targets for social rented housing in Table 4.1 given the serious under –performance identified in the London Plan AMRs.
- . i) Should the target be for longer than 10 years given that the plan period runs to 2041?
 - . Yes, at least in outline. Otherwise there must be a fear that output will magically double for 10 years, exhausting all the available sites, and then fall back to a very low level as the supply of sites dries up. We argue for the need for frequent SHLAA and SHMA reviews, given the unprecedented uncertainty surrounding migration, household formation rates and real incomes, but this does not remove the need for the forecast targets to stretch through the Plan period to 2041. The SHLAA looks beyond 10 years and the Plan should do likewise, even though we know it will change.
- . j) How and where is the shortfall between the identified need of 66,000 additional homes a year and the total annualised average target of 64,935 to be made up? Will LPAs outside London in the wider south east be expected to deal with this on an ad hoc basis and is this realistic?
 - . This difference is tiny and less than the margin of error in any data series. Most likely that under-supply within the GLA boundary will be born through overcrowding and unplanned movement to destinations near and far outside

the boundary, with all the associated travel costs and environmental damage, as before.

- . k) Does paragraph 4.1.8A adequately explain how Boroughs are to calculate a target beyond 2028/29?
- . Yes. But, as we say in response to (g) and (h) above, boroughs will need instructions about how much output they are required to see delivered, and especially how much low cost rented housing.
- . l) What will be the implications for London Boroughs if the Plan targets are adopted which increase the requirement in recent development plans?
- . Those boroughs would need to revise their development plans to conform. The Highbury Group has written cogently on this. Even though sites have been identified in the SHLAA, it will take time to translate these into site allocations in a Local Plan takes time – there need to be worked up site briefs and public consultation on the site allocations. This is one of the reasons why we consider that targets for the first 5 years should realistically be lower than for the second.