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Dear Rachael

#### Outer London Commission: Towards a review of the London Plan

Thank you for consulting Barking and Dagenham on Round 4 of the Outer London Commission. The points set out below provide officer feedback on the questions posed. We have not responded to all of the questions, but have instead focused on those where it is felt we can provide most insight from our experience as an outer East London borough. I have attached a copy of the borough's Local Plan issues and options report which covers a lot of the questions set by the Commission.

#### Issue 1: Options for Growth

## G1 How important is it to maintain a balance between housing and employment in a growing post-industrial city? What do you think the right balance is?

This is a very important issue and one which Barking and Dagenham's Local Plan Issues and Options Paper (July 2015) is currently grappling with. The Borough's adopted Local Plan protects 489 hectares of land for industrial uses which equates to 20% of the Borough's urban area. Our analysis indicates that, as a percentage of the urban area, there is more land protected for industry in Barking and Dagenham than in any other London Borough. Officers have undertaken research which has revealed a distinct correlation between the average house prices and the proportion of land that is protected for industrial uses. The higher the proportion of industrial land, the lower the average house price, with this relationship generally holding true across London.

In Barking and Dagenham the amount of people being employed in industry has fallen by over two thirds since 1950. Despite this, the extent of the industrial land remains very similar. This is because manufacturing uses have given way to general industrial and distribution uses which employ less people and are in, generally, low skilled and low paid jobs. This is illustrated further by comparing Barking and Dagenham's employment densities in industrial areas with average employment densities. This reveals that using average employment densities the total number of industrial jobs forecast in 2031 can be accommodated on 248 hectares of land, roughly half the current total of land protected for employment uses.

Land in London is scarce. The London Plan has not found enough land to meet housing need. This suggests that there is scope not only to rezone vacant industrial land but also to make better use of underused industrial land to help meet this need. In Barking and Dagenham, many of these underused sites, particularly in River Road and Thames Road are unattractive and as such harm the image of the Borough as a place to invest. Many industrial sites are also close land allocated for new homes, such as Barking Riverside. As part of its Local Plan review, the Council is looking in detail at these under-used areas of industrial land to establish if they can be rezoned for housing or housing mixed use developments.

## G2 If London continues to expand the housing pipeline / allocations, will that distort the balance between housing and employment? What significant effects might that have within different parts of outer London?

### G3 What type of workspace/ employment land will be required in the future relative to trends in the existing stock? Does this require a policy approach which extends beyond London?

The Council's Economic Development Study (NLP, 2014) indicates that Barking and Dagenham lacks readily deliverable industrial sites and good quality, modern industrial premises to satisfy occupier requirements. As discussed, in response to question G1, the Council is considering rationalising the quantity of its industrial land to provide additional, strategic housing sites. As part of this shift, there needs to be consideration given to the industrial land which remains and the investment that is required to ensure it meets future market needs.

The Economic Development Study (NLP, 2014) has also revealed there to be a lack of good quality office stock in Barking and Dagenham to meet the forecasted need arising from the projected growth in services firms. It found that for Barking and Dagenham there will be a need, over the new plan period (2015-2030), for newer, good quality office stock that specifically caters for the local SME market.

### G4 In the context of meeting London's growth, what contribution should the following mechanisms make to helping to meet the challenge of delivering increased levels of housing?

For each, where might there be particular opportunities, how could this be supported and what / where are the specific challenges and constraints (eg what impact might this have on character and context; land values; balance between housing and employment; access to particular types / lower cost employment space, infrastructure requirement, etc).

- Increasing outer London densities, particularly through suburban renewal
- More housing at higher densities in town centres and Opportunity Areas/ Intensification Areas with good public transport
- Greater cumulative contribution of small scale sites, such as infill

- Selective release of London's greenbelt around public transport nodes for housing (or consolidation of employment
- Densification of built up areas beyond London (new towns; garden cities, suburban extensions)

# G6 Would it be worth considering growth 'corridors' (eg as with LSCC and linked to existing / potential public transport) in terms of enabling an integrated housing / employment / cross-boundary strategy...and if so, which corridors could be a focus (eg associated with CR2, HS1, HS2, CR1 extensions, C2C improvement, Gatwick)?

Key to unlocking the regeneration potential of London Riverside are improvements to public transport and roads. As currently planned neither Crossrail 1 or Crossrail 2 will serve London Riverside. This is a missed opportunity for an area that could deliver over 30,000 new homes. An eastern spur of Crossrail 2 could be routed from Hackney to Barking and then on into the Thames Gateway. This will deliver far more growth that the confirmed route via Alexandra Palace. It is also disappointing that Network Rail in their Anglia Route Study are planning little or no capacity increases on the C2C line as they think sufficient capacity exists to meet the growth anticipated along its route. The public transport options for the Gallions Reach river crossing is an opportunity to ensure public transport in the form of DLR or a Tram is provided to tie together the Opportunity Areas north and south of the River and help meld the concept of the "City in the East".

#### G7 How can we maximise the benefits of growth regionally, sub-regionally and locally; and mitigate concerns? (eg provision of supporting social and community infrastructure; greater focus on place-making; re-provision in the new development of social housing)

For growth to be of benefit to both existing and future residents/businesses it is imperative that London boroughs' spatial strategies understand both the physical and functional character of their areas. This is important at the local, sub-regional and regional level. In Barking and Dagenham we are beginning to develop an emerging Local Plan which we intend to be a single, succinct document that will seek to capture a very locally specific picture of the Borough. As part of the process of drafting the Plan, officers will be seeking the input of local residents, businesses and community groups to better understand the make-up of the social fabric which underpins the functional character of the borough (where people shop, how people travel to work, which communities people feel they belong to, where families send their children to school, etc). It will also map the Borough's physical character (block structure, densities, heritage, public realm, etc). By better understanding the borough's character areas, we can develop planning policy which is sensitive to the future placeshaping of the Barking and Dagenham. Using the information gained from this piece of evidence base we hope to encode a new borough vernacular covering residential, commercial and civic uses. This work is especially important for outer London Borough's, such as Barking and Dagenham, where there are a small number key strategic brownfield housing sites delivering the majority of the housing growth. For these sites to be able to integrate with existing communities it is vitally important for the Local Plan to be sensitive to the neighbourhoods already present in the borough.

#### Issue 2: New Approaches to / Issues for regional coordination

## R1 Should London and the wider south east be viewed as one area for managing growth? What are the planning implications of this for housing and jobs growth and strategic infrastructure provision?

London cannot plan for growth in isolation from the regions that surround it, however the abolition of the regions outside London has made it made planning at this scale more difficult. However this is really an issue for the Mayor of London. At the borough level Barking and Dagenham is committed to the North East London Strategic Alliance which is a newly formed alliance of North East London borough which includes housing, jobs and infrastructure provision.

# R2 Which strategic policy issues affecting this part of London would benefit from being considered through some co-ordination of planning with authorities across the wider south east as a whole, or with representative of adjoining sub -regions?

The requirement for new transport infrastructure is an issue which naturally lends itself to co-ordinated planning across authorities in the wider south east. The need for improved transport infrastructure is a particularly pertinent issue for the unlocking of housing sites in Barking and Dagenham. Examples include the requirement for new river crossings from South Hornchurch to Belvedere and Gallions Reach to Woolwhich. These are required to open up markets south of the river to businesses in the north as well as relieving pressure on Dartford and Blackwall Crossings. Collective lobbying and coordination on these issues would be of value, creating and delivering a strategic vision for London and the south east region.

R3 Should new co-ordinating arrangements only consider pan-regional or also cross-boundary issues? At what level does an issue go from being cross boundary to pan-regional?

R4 How could useful co-operative relationships be built (over time) across the border, going beyond the statutory requirements under which the Mayor and LPAs work? How can any value be added to this process?

R5 How could new co-ordination arrangements usefully promote and enable the development of a common evidence base, and a shared understanding of how local and sub-regional economies, housing markets and labour markets interact and to what extent could it do this effectively?

R6 How could new co-ordination arrangements facilitate the identification of different views among its members? And how might these different views be accommodated?

**R7** Which geographical area should new co-ordination arrangements cover? Should it vary depending on the issue?

R8 Who could constitute the membership? How many local authority representatives, how many LEP representatives and others should be directly involved? R9 What should be the format of new co-ordination arrangements, and how many layers should it have? For example, should it include a regional plenary for all members and/or sub-committees for specific issues/ areas? Plus a political leadership group and officer servicing group?

R10 How should new co-ordination arrangements be managed and by whom, and how should the required resources be shared? and how should it engage with its constituents/ the public?

**R11** How should new co-ordination arrangements relate to and work with structures and bodies within London?

R12 Should an evolutionary or incremental approach be taken to the development of new co-ordination arrangement, capable of adapting to changing circumstances – or should it be firmly fixed from the outset?

**Issue 3: Removing Barriers to Housing Delivery** 

### H1 What are the particular barriers holding back delivery of new housing in this sub region?

Issue Paper 3, supporting this consultation, references the Mayor's Barriers to Housing Delivery Report 2012 and its follow up study conducted in 2014. Experience in Barking and Dagenham echoes many of the findings of these reports. Barking and Dagenham's Issues and Options Paper proposes that of the 35,000 new homes projected to come forward in the borough, 80% would come from just eight large brownfield sites. Of these sites, only one is owned by a house builder. Therefore, the Council and its partners have a key role in using planning and regeneration powers to kick start the delivery on these sites. Another important issue for a borough, such as Barking and Dagenham, is the value of industrial land relative to residential land. The existing-use value of industrial land is higher than that of residential, which makes the delivery of private sector led affordable housing especially difficult.

### H2 What is constraining the private sector from translating London's pipeline of approved homes into completions, for example:

- developer sales practices and private sector concerns about market absorption;
- the scale of land banking and the number of approved sites owned by firms that do not actually build houses;
- the range and size of housebuilding firms in London and the level of competition within the development sector; and
- private sector capacity and skills shortages.

#### H3 What potential is there in Outer London for:

• purpose built long-term, private rented sector housing (PRS)? There are an increasing number of PRS schemes coming forward in Barking and Dagenham. The review of the Local Plan is considering the inclusion of a specific policy on PRS, given the increasing popularity of this model of housing supply. Local experience has found that this mode of housing can provide good quality, purpose built, managed apartment blocks with on site facilities such as gyms and cafes. This can give people who find themselves in the rented market an appealing alternative to living in poor quality buy-to-let accommodation. Whilst this is providing a more stable form accommodation when compared with some traditional private rented sector housing, there is a concern about the financial model and perpetuity of these schemes. How long these units stay as intended – as affordable, better quality rented homes, is a dilemma which needs to be understood if this form of housing is to be considered as a workable, long term, alternative to the more traditional notion of affordable housing.

#### • specialist housing for students and older Londoners?

In recent years the Council has delivered its own social rented older person accommodation. Building the bungalows has unlocked larger, social rented accommodation for families on the waiting list. To date, the development industry has not expressed interest in delivering specialist accommodation for students in Barking and Dagenham. Officers can only surmise that this is due to the perceived lack of proximity to London's major University faculties.

#### housing intensification through estate regeneration schemes?

Barking and Dagenham has an extensive programme of estate regeneration and a lot of experience in delivering such schemes. Intensification is possible but does need to be weighed up against the desire for good place making. Densification is only possible where PTALs permit such an approach. The context and urban grain needs to be carefully considered on estate regeneration schemes particularly as these projects are invariable taking place amongst existing residential areas.

## • the delivery of higher density development in town centres, taking into account land ownership constraints and the surrounding suburban context?

There is clearly a sound planning argument for higher density housing in town centres. This is the approach which is already being taken in the adopted Local Plan for Barking and Dagenham, echoing the thrust of the London Plan.

### H4 What are the practical measures boroughs can take to boost supply, for example:

 providing a more certain and speedy development management process for large developments prior to and following outline planning consent (eg s106 negotiations, use of conditions and condition discharge);

Barking and Dagenham has recently introduced a new Planning Performance Agreement template which guarantees an enhanced service level to an agreed timetable for a fee. This fee will help the service maintain the capacity to deal with major planning applications. Without the fees associated with PPAs the service would not, due to the need to make savings, have the capacity to deliver growth. The Commission needs to scrutinise the Government's proposal to require Council's to do LDOs for 90% of brownfield housing sites. This will remove the need to apply for planning permission for these sites and with it a planning departments major source of income and therefore will not have the means to prepare these LDOs. This proposal will decimate Local Authority planning departments and severely hinder the delivery of growth.

#### • greater use of CPO powers;

In Barking and Dagenham where residential land values are lower than industrial land CPO powers are necessary to assemble sites and kickstart the delivery of new housing.

 wider application of the Housing Zones model to address particular local delivery challenges, working closely with the private sector and other stakeholders;

Barking Town Centre is a Housing Zone and the funding the Council has secured through this will help boost housing delivery.

- widening the pool of identified and allocated large sites in Local Plans; Barking and Dagenham's emerging Local Plan has identified further housing sites in addition to those allocated in the 2014 GLA SHLAA. These are discussed in the Council's Issues and Options Paper. This would deliver 2,333 homes per year, exceeding the London Plan target of 1,236.
- providing a more positive and certain policy and development management framework for small scale/infill development in order to support small and medium sized house builders;
  Barking and Dagenham's current Local Plan identifies all the housing sites across the borough with development potential including small. Medium and large sites. This provides certainty to housebuilders and reduces reliance on windfall sites.
- requiring large sites to be parcelled up and split between a number of different developers in order to address slow build out rates and potential land banking; and

This is important in accelerating delivery but needs to be within an overarching masterplan which ensures that different builders are working to an agreed framework. The GLA are currently tendering for the Beam Park site in Dagenham. The tender encourages the lead contractor to appoint sub contractors to speed up delivery. Barking and Dagenham supports this approach. Custom Build is also something the Council supports.

 conditioning minimum levels of housing output on large sites over a fixed short to medium term horizon.

• exploring the potential scope for 'use it or lose it' powers.

H5 What potential role could local authorities play in building houses, especially on surplus public sector owned land? What are the financial and regulatory obstacles that need to be overcome to enable local authorities to contribute more directly to house building in London? Barking and Dagenham has recognised that there is no, one single solution for the delivery of housing and in particular affordable homes. The Council has a number of methods of delivery which are summarised below with case study examples:

#### Council Direct Build

Barking and Dagenham has a track record of working with good quality architects and directly appointing contractors to build new housing. Examples include Anne Mews, an estate renewal scheme which delivered 31 award winning terraced properties. As discussed earlier, the Council had also built new bungalows for elderly people, which had freed up larger homes for families on the Council's waiting list.

#### Working in Partnership with the Private Sector

Barking and Dagenham has worked together with Countryside on Goresbrook Village, an estate renewal scheme which has delivered 149 homes. Three tower blocks, known locally as 'Lego Land' blighted the image of the borough. Using the London Development Panel, Barking and Dagenham appointed Countryside, who worked closely with the Council to build a mixed tenure scheme in which 65% of the homes are owned and managed by the Council.

#### Joint Ventures

The renewal of the Gascoigne Estate is a good example of a joint venture project in Barking and Dagenham. This scheme includes funding from the Mayor's Housing Covenant and will see delivery of 421 homes.

#### Special Purpose Vehicles (SPV)

The most notable SPV in Barking and Dagenham is that with institutional funder Long Harbour. The Council provided the land from two rundown estates and the investor covered the full cost of building 477 homes (high design quality). The Council's Local Education Partnership (which was created to build homes as well as schools) built the homes. Of these, 80% are at 80% of market rent. The Council lets and manages the homes, which have a 60 year rental guarantee. After the 60 years the properties are to be placed into the ownership of the Council. The Council set up Barking and Dagenham Reside to let the units. This scheme illustrates how Barking and Dagenham has attempted to address the problems which our residents were facing with poor private-rent landlords. This scheme offers more secure tenancy and better accommodation and maintenance.

Barking and Dagenham is also one of the first boroughs to borrow from the European Investment Bank (£89m). This venture will deliver 500 affordable rent and shared ownership homes. The loan is fixed for 30 years at below PWLB rates.

#### Barking Town Centre Housing Zone

The Council was successful in gaining a Mayoral Housing Zone for Barking Town Centre. The process of submitting a Housing Zone bid, pulling together both public and private sector partners to deliver a shared ambition has been very positive. The Housing Zone has 10 initial sites delivering 2,296 homes and we've identified a further 10 schemes which could yield another 2,000 homes.

H6 Is there an issue about skills and capacity within local authorities in delivering planning consents for large scale developments?

### H7 What role could modern methods of construction play in boosting private sector build out rates?

The Council is exploring ways in which pre-fabricated building methods could help to deliver new homes. Custom build is also something the Council is looking at encouraging as a means to increase the attractiveness of the borough as a place to live by allowing homeowners to personalise their home.

We trust this information is of use to the Commission, should there be any further details you require on the above please do not hesitate to contact us. We look forward to seeing the outcome from this current round of consultation and very much welcome being part of future dialogue.

Yours sincerely

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