Further Alterations to the London Plan 2014

Consultation draft

DRAFT FURTHER ALTERATIONS TO
THE LONDON PLAN

THE SPATIAL DEVELOPMENT STRATEGY FOR GREATER LONDON

DRAFT FURTHER ALTERATIONS TO THE LONDON PLAN JULY 2011
CONSOLIDATED WITH REVISED EARLY MINOR ALTERATIONS OCTOBER 2013

JANUARY 2014

MAYOR OF LONDON

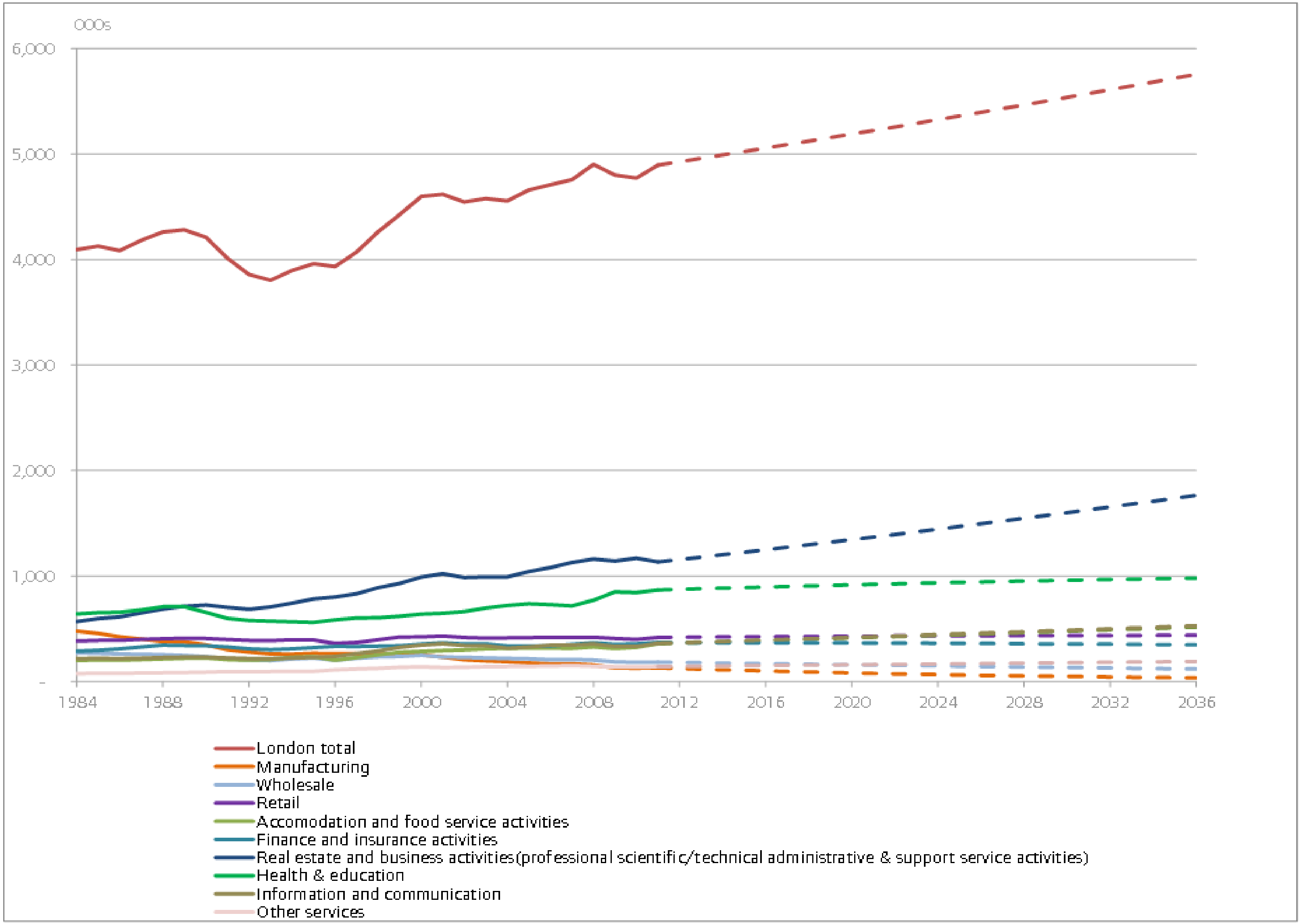
Purpose of the Further Alterations to the London Plan (FALP)

- Develop concept of the Plan as the ‘London expression of the National Planning Policy Framework’

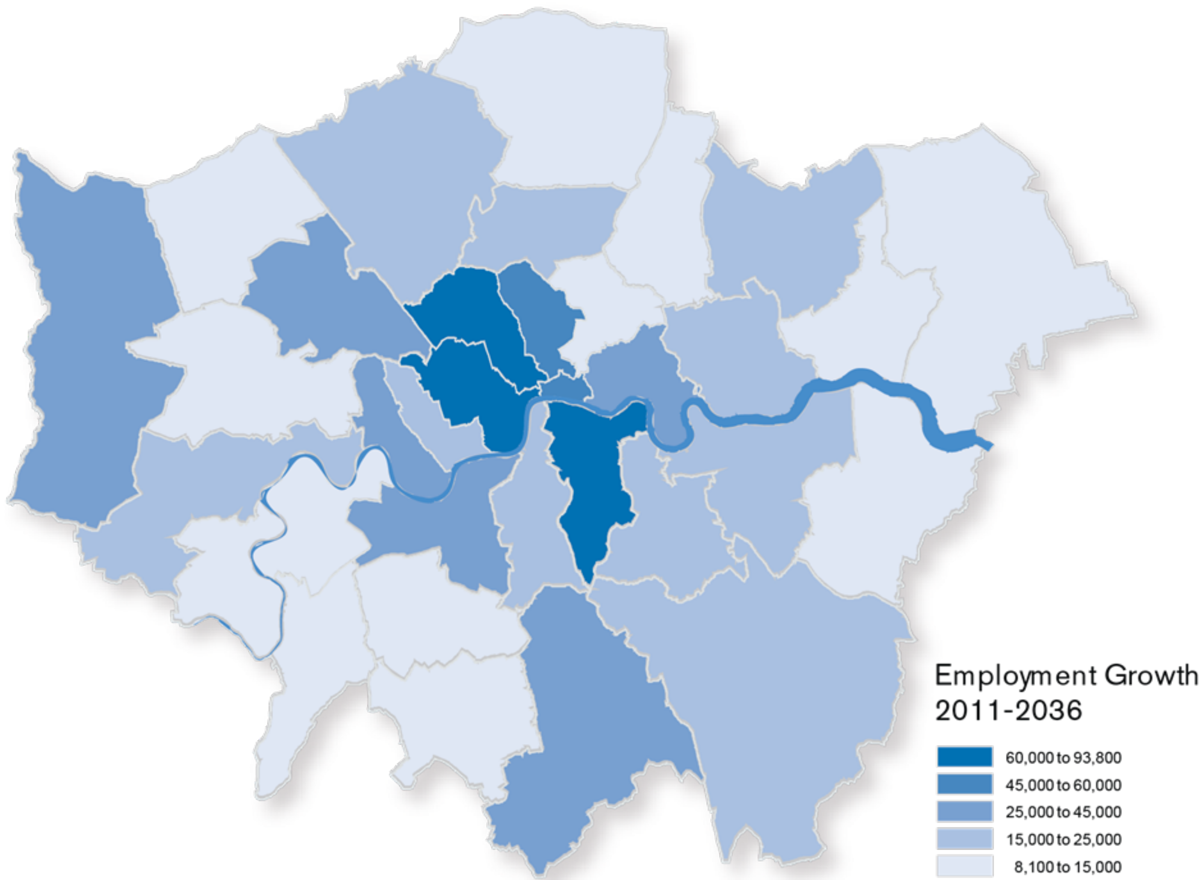
- Provide robust, interim planning framework to address the key housing and employment issues arising from a substantial increase in population and to support recession recovery, until the long term implications of these are clear

- Minor changes in terms of fact; changes in national policy; support for the Mayor’s Housing and other strategies and where relevant address other advice to the Mayor eg from the Outer London Commission.

London’s employment growth



Distribution of employment growth



Source: GLA Economics

The demographic challenge

- London population 2001 (revised):7.34 mil
- London population 2011 (Census):8.17 mil

= 83,000 pa increase

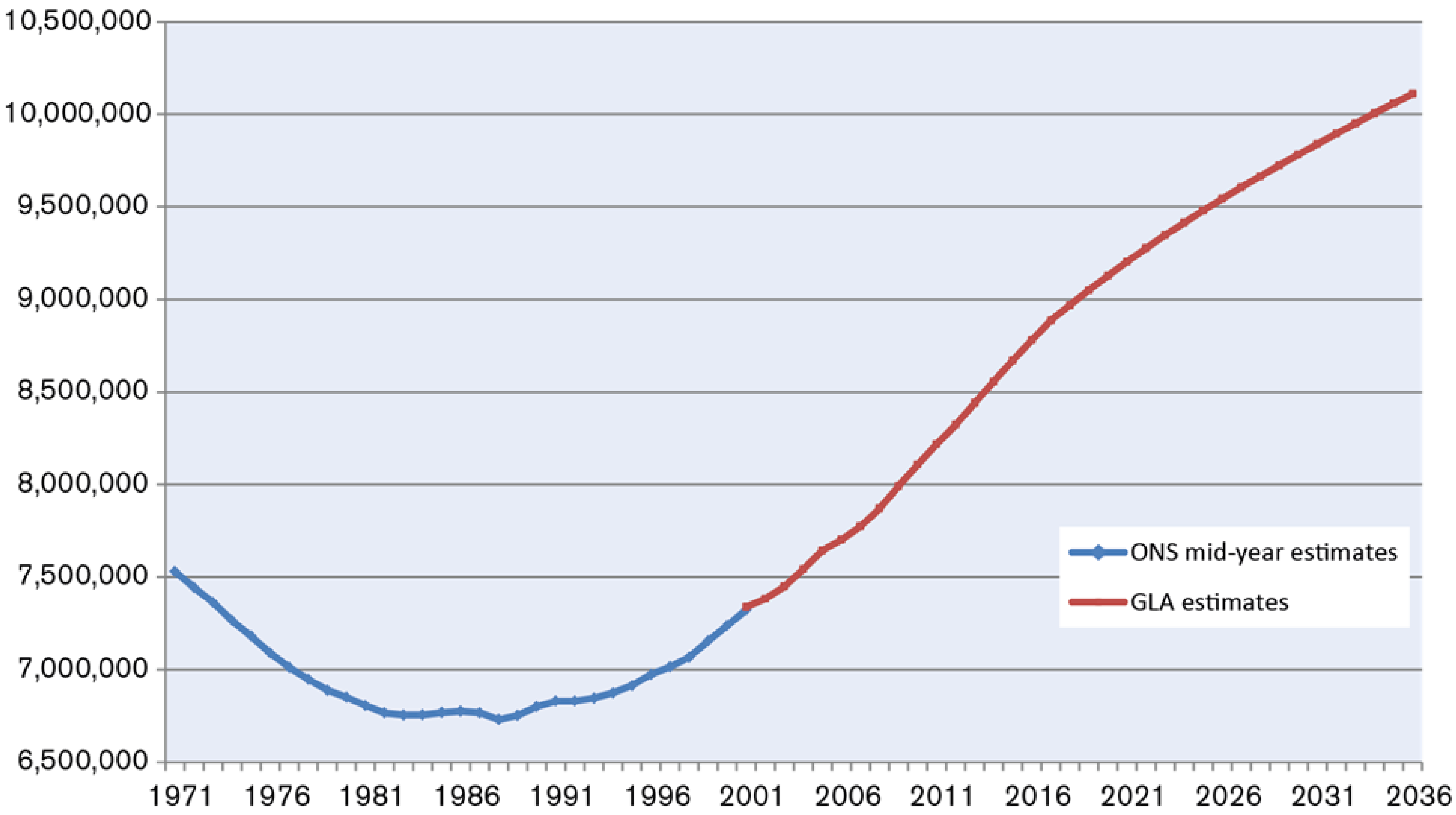
BUT

- London Plan 2011 – 2031 assumes 51,000pa

AND

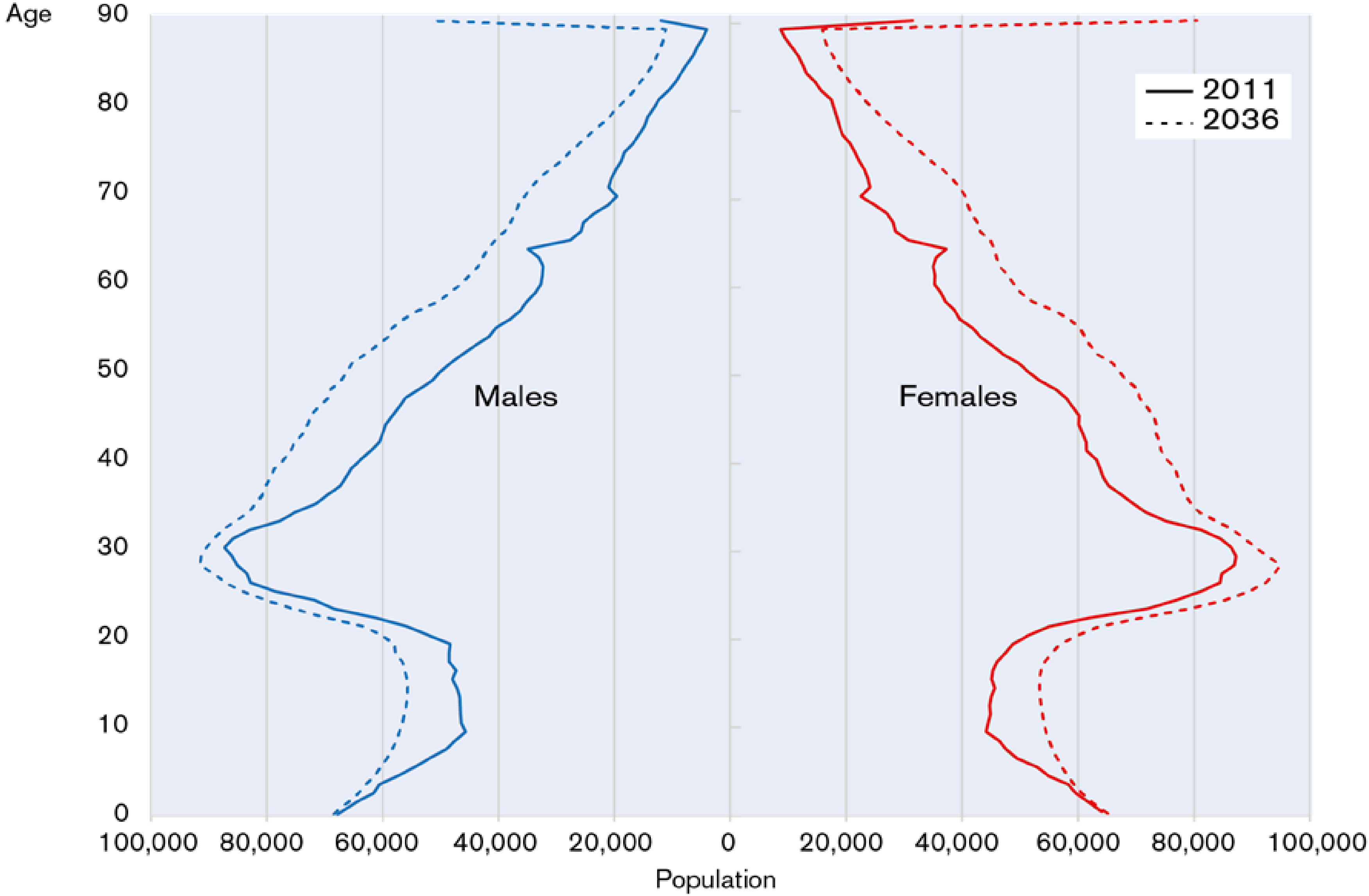
- new GLA trend projection 2011 – 2036 suggests 76,000 pa, and over 100k in earlier years….

Population growth 1971 - 2036



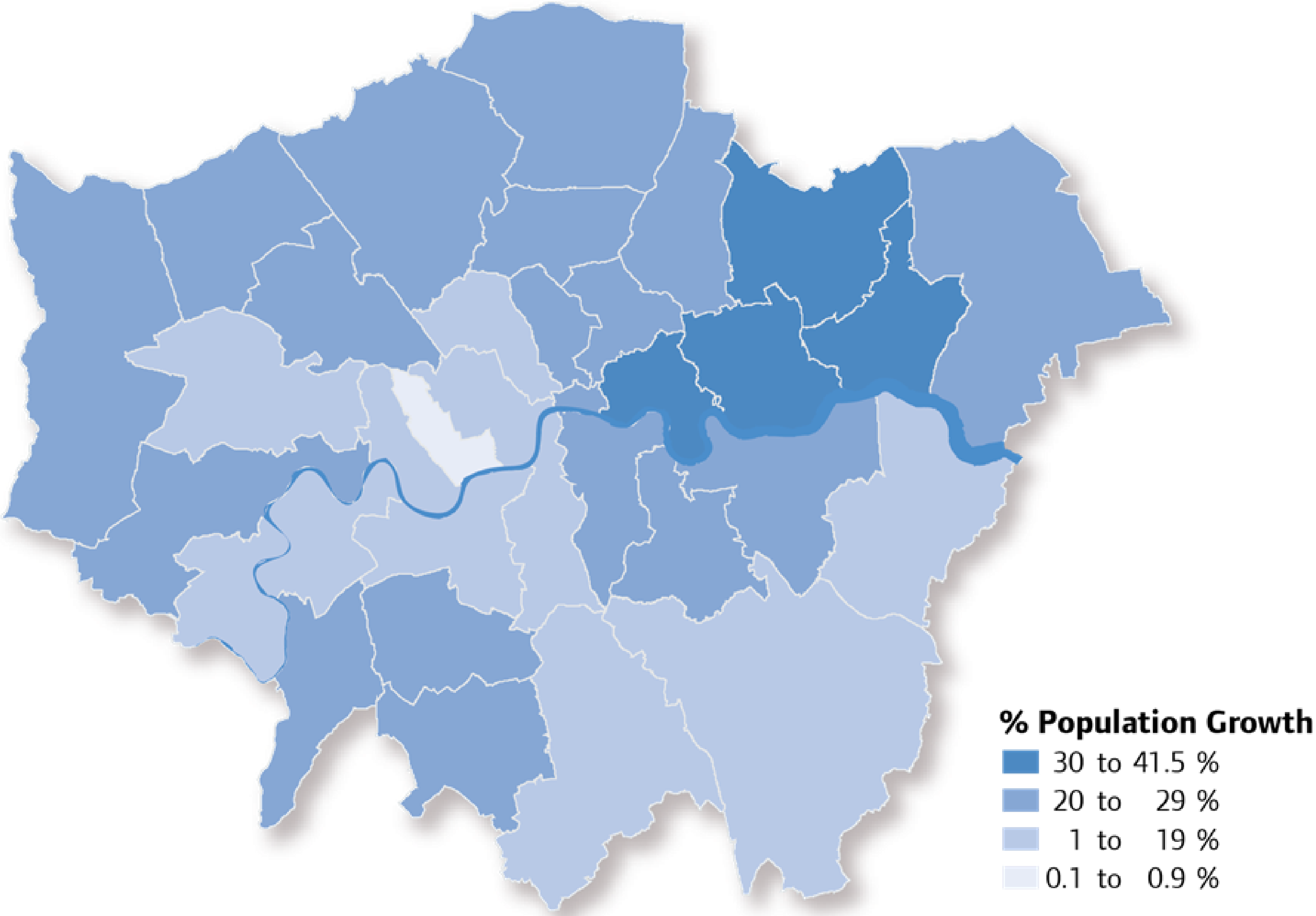
Source: Office for National Statistics mid-year estimates to 2001, GLA estimates 2002 to 2036

Changing age structure 2011 - 2036

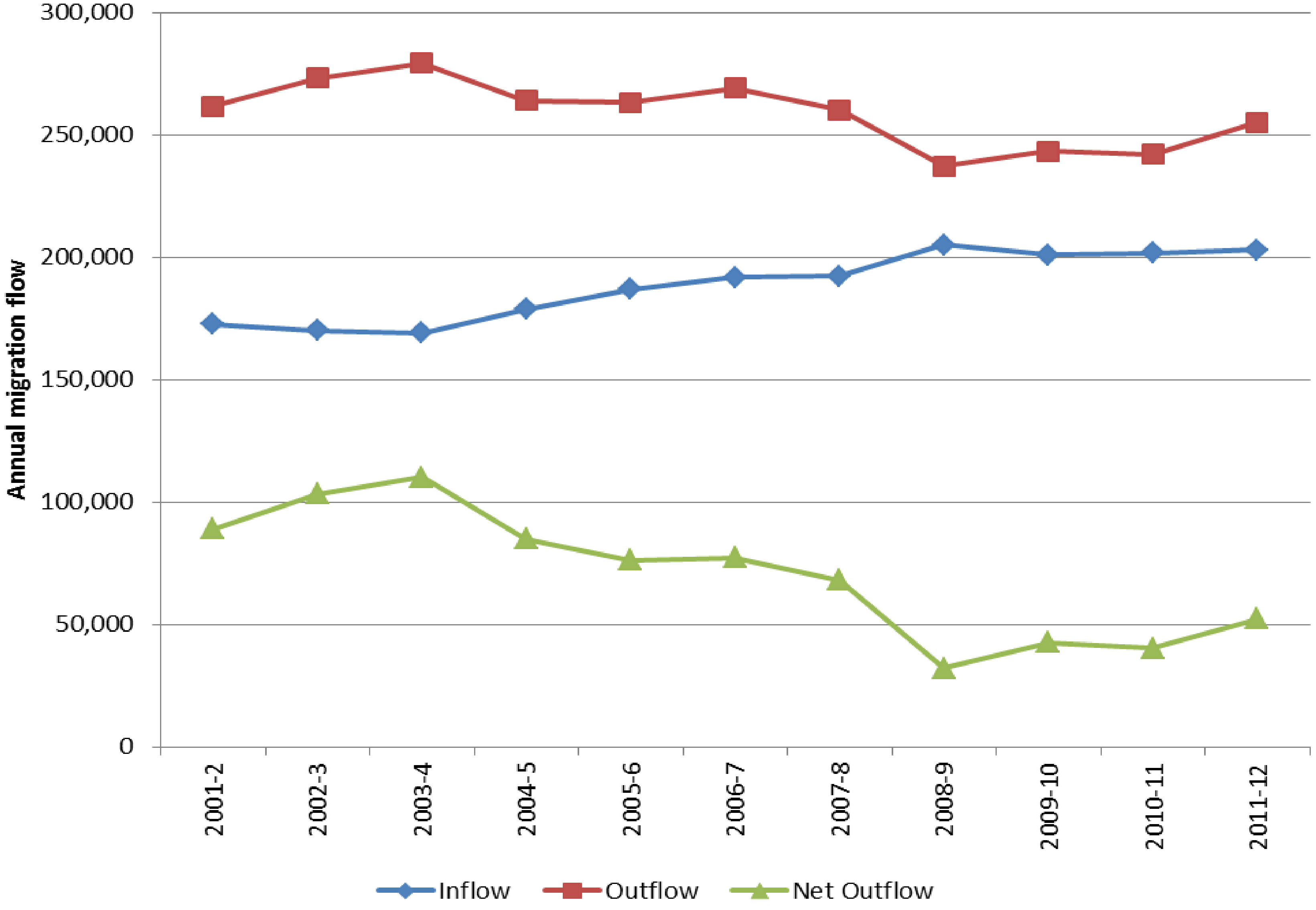


ource: Greater London Authority, 2013 round of population projections

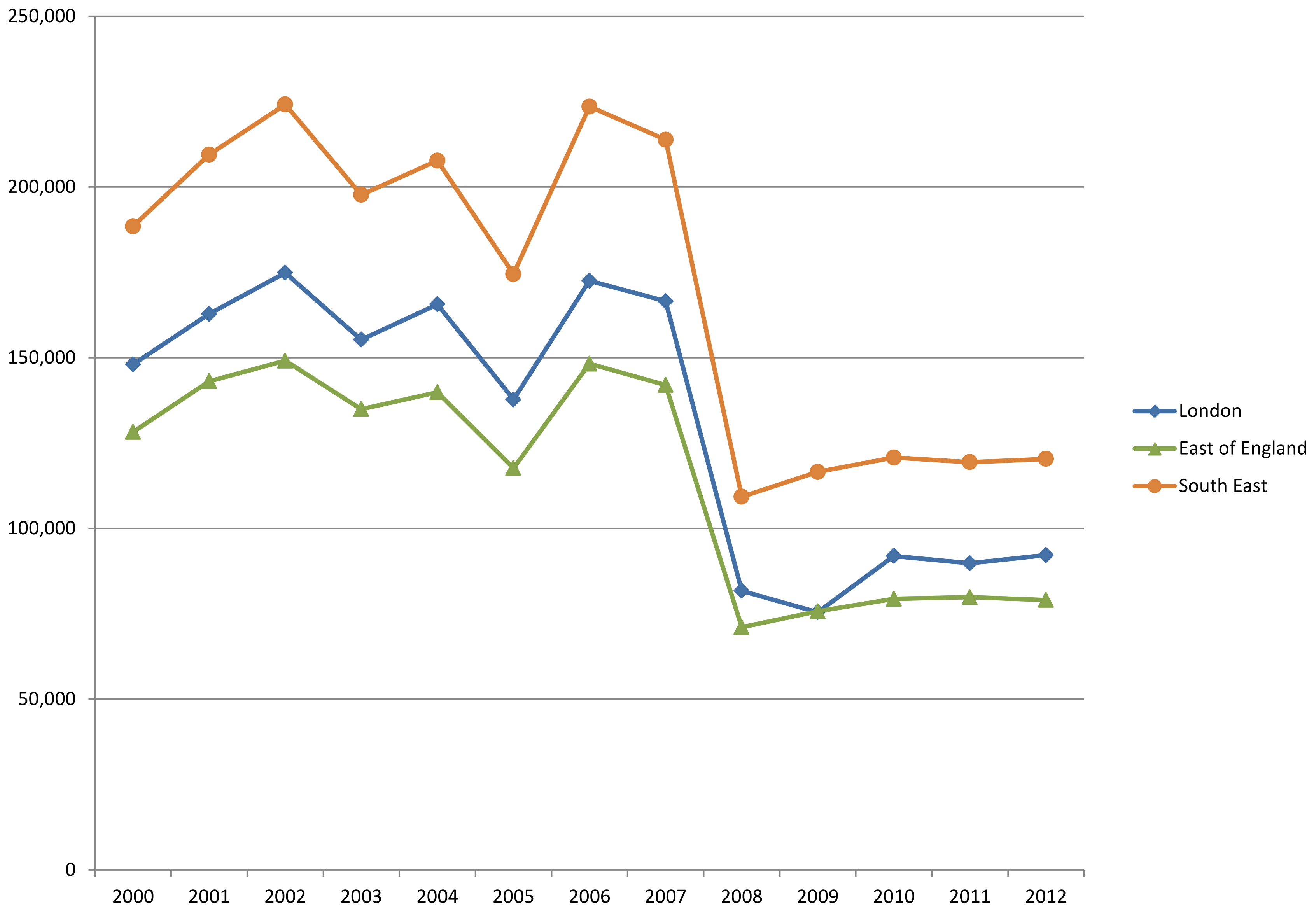
Distribution of population growth 2011-2036



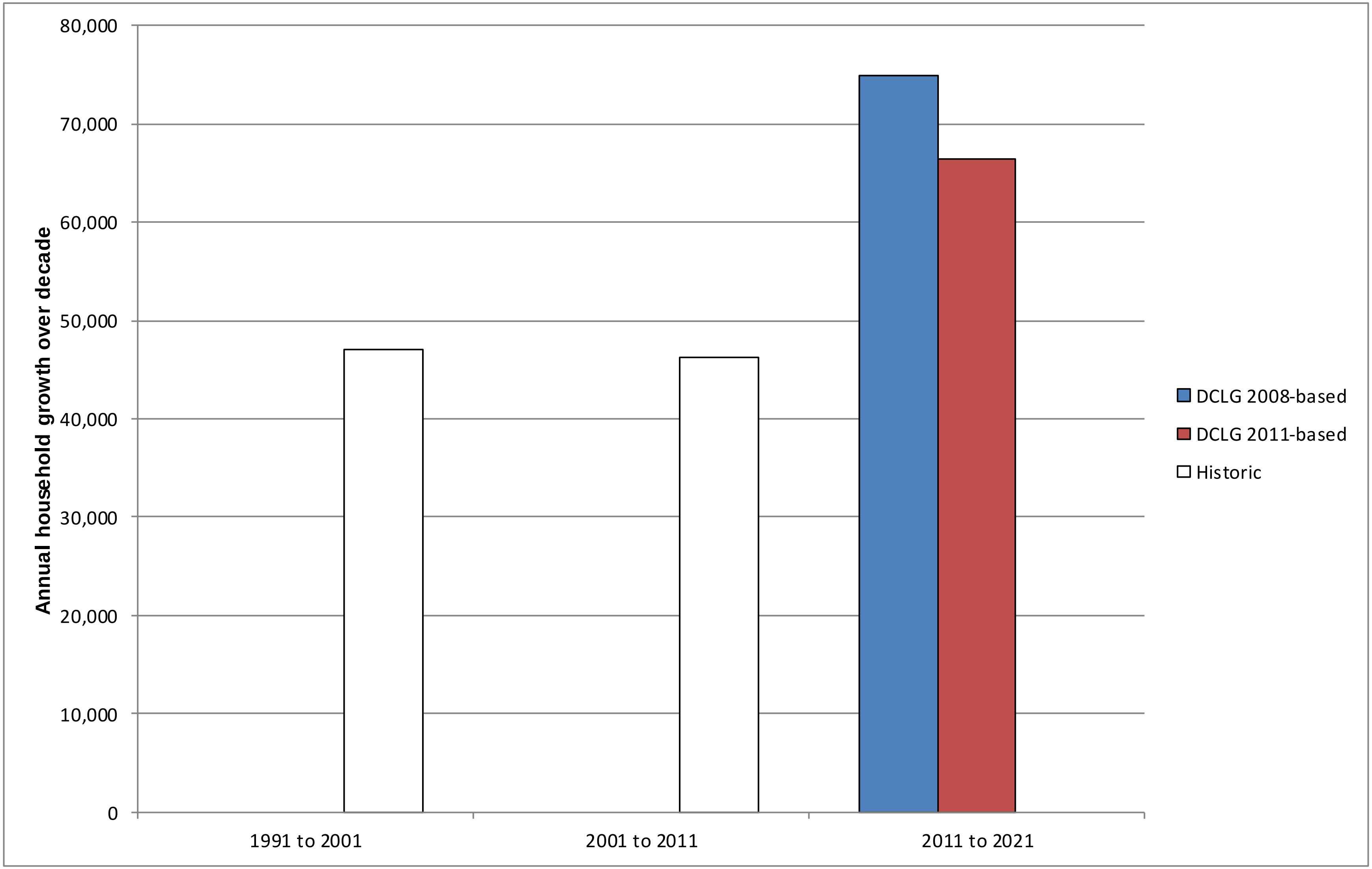
London domestic migration flows



House sales by calendar year in wider SE



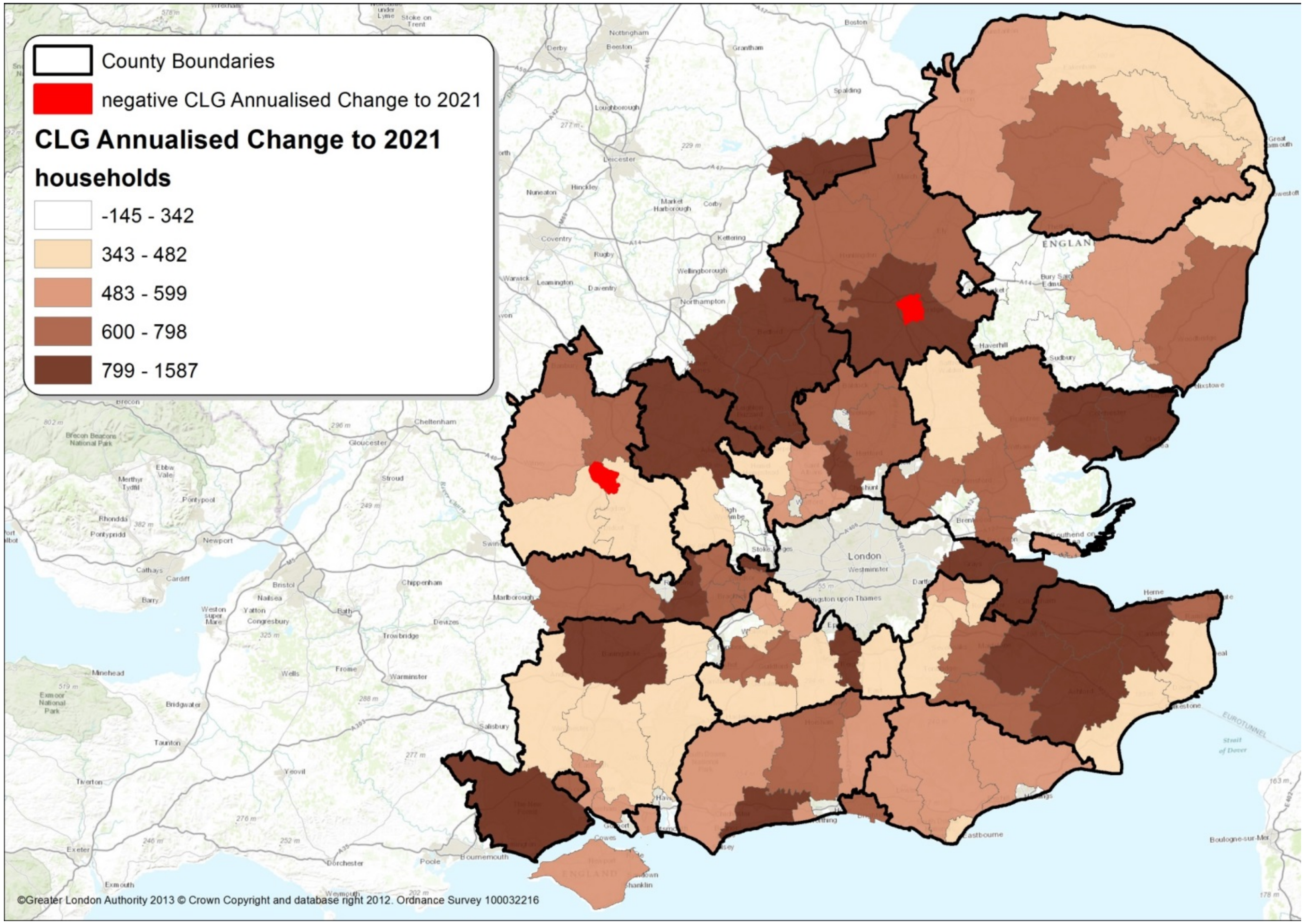
Recession reduced out-migration: implications for E & SE household growth?



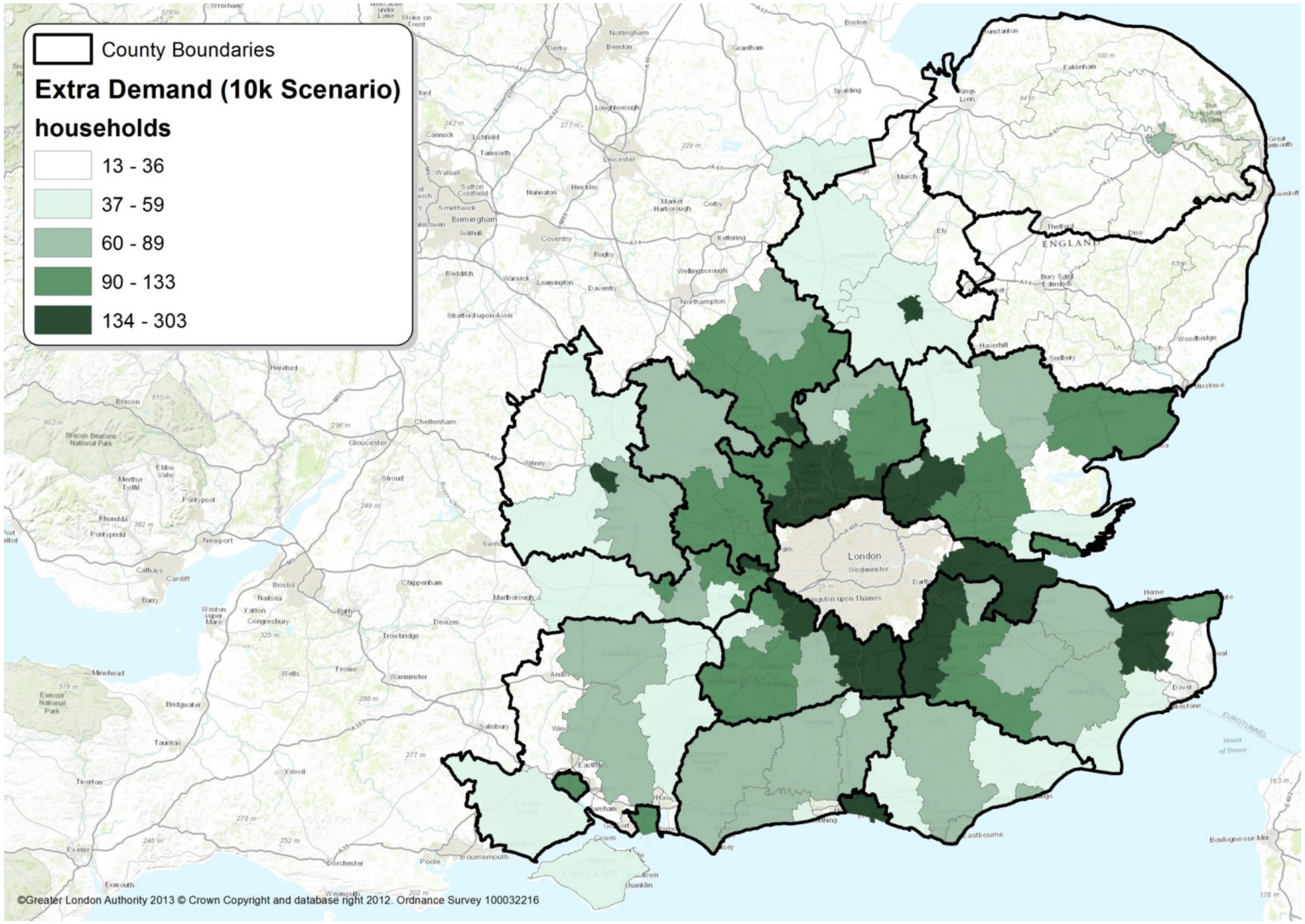
Current ‘demand’ and supply in the Greater South East (CLG)

	London	**South East**	**East**
Supply (average completions 2004 – 11 pa)	24,300	29,600	21,300
Demand i (CLG 2008 hhs pa)	37,900 ‘gap’ : -13,600	41,100 ‘gap’ : -11,500	33,900 ‘gap’ : -12,600
Demand ii (CLG 2011 hhs pa)	52,600 ‘gap’ : -28,300	38,400 ‘gap’ : -8,800	28,100 ‘gap’ : -6,800

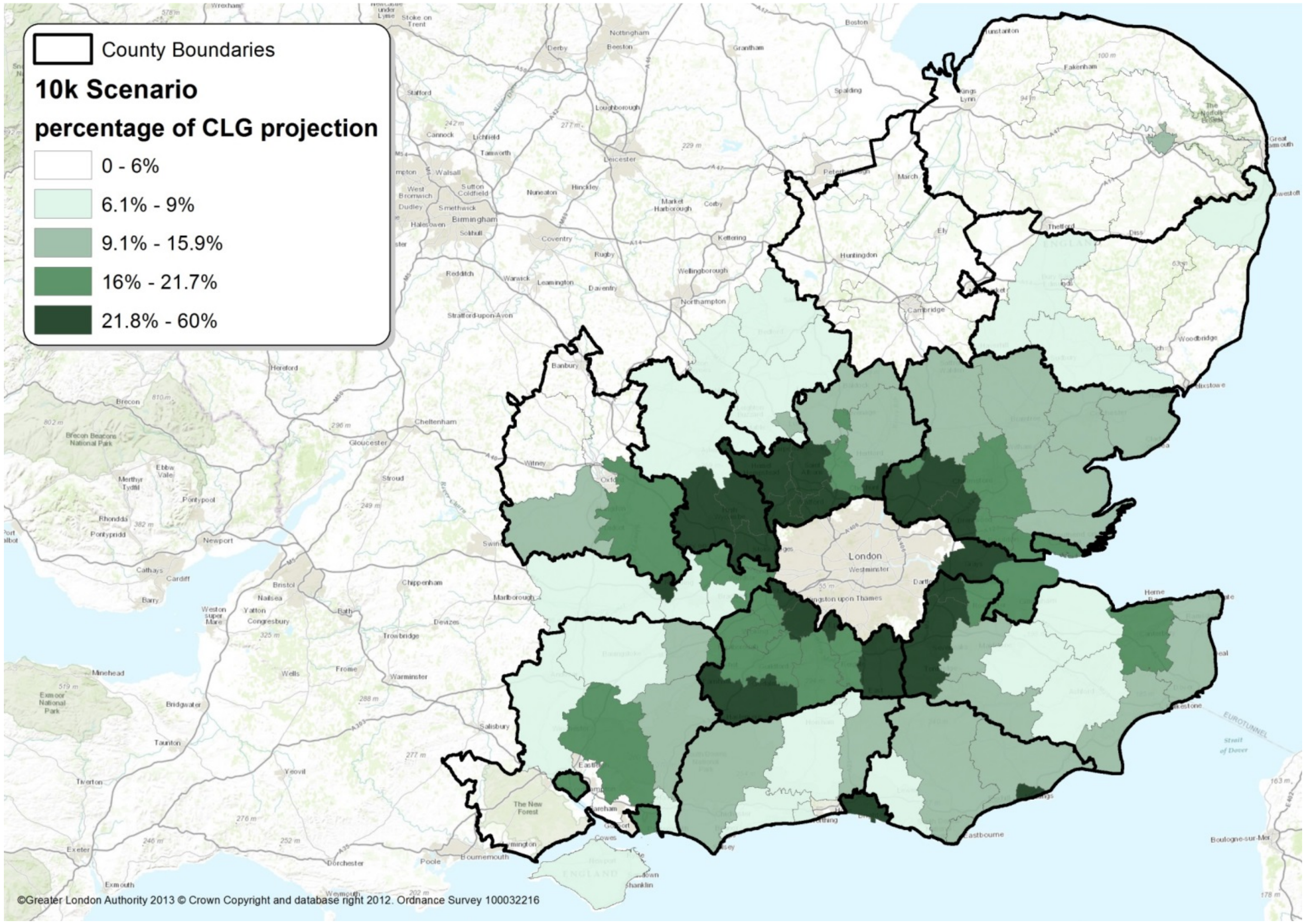
Distribution of 2011 CLG projected demand in SE and E



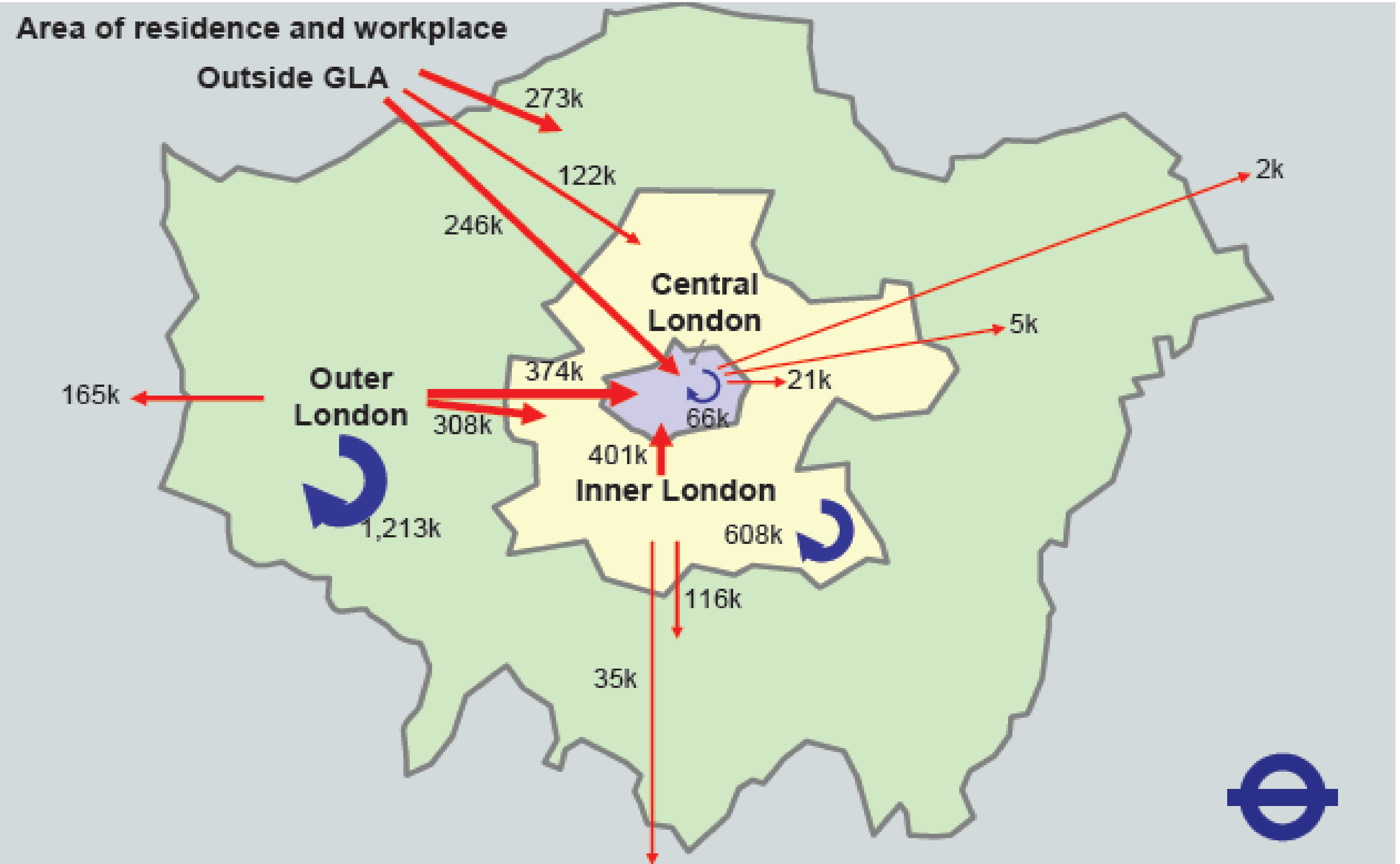
Migration trend based distribution of additional 10k pa to SE and E



Impact of additional 10k hhld growth on top of existing CLG projection in SE and E



Commuting to, within and out of London

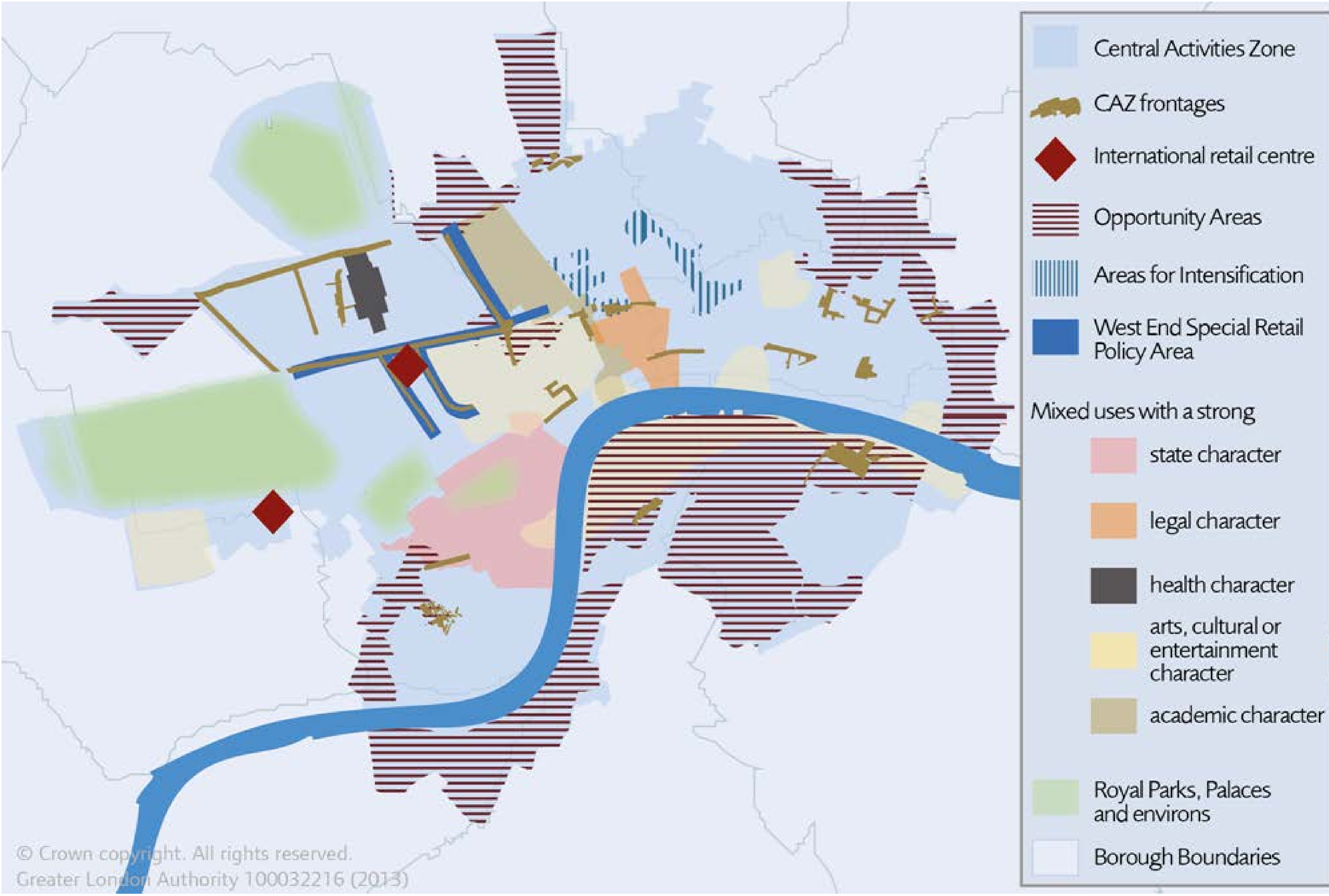


Implications for London and SE & E

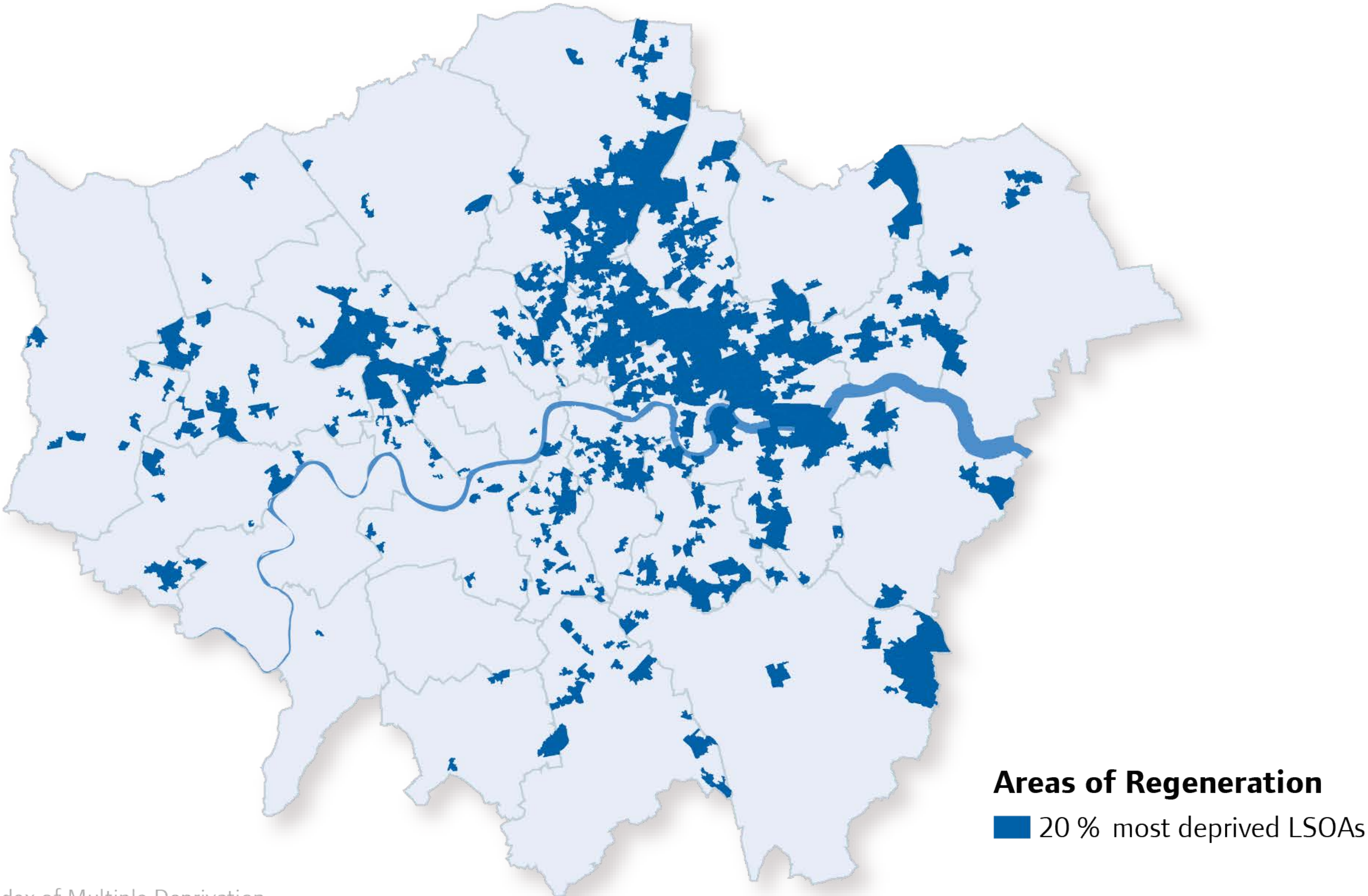
- Resumption of London out-migration: max 9k pa to SE & E cf CLG 2011?
- Planning for uncertainty: London Plan review once demography ‘bedded down’
- Not just a housing issue eg c800k x-border commuters pa already
- 2050 Infrastructure Plan eg scenarios for longer term approaches
- Localism Act ‘Duty to Cooperate’ & GLA Act ‘Duties to Inform/Consult’ – more on this at the end…

Chapter 2: places

Central Activities Zone

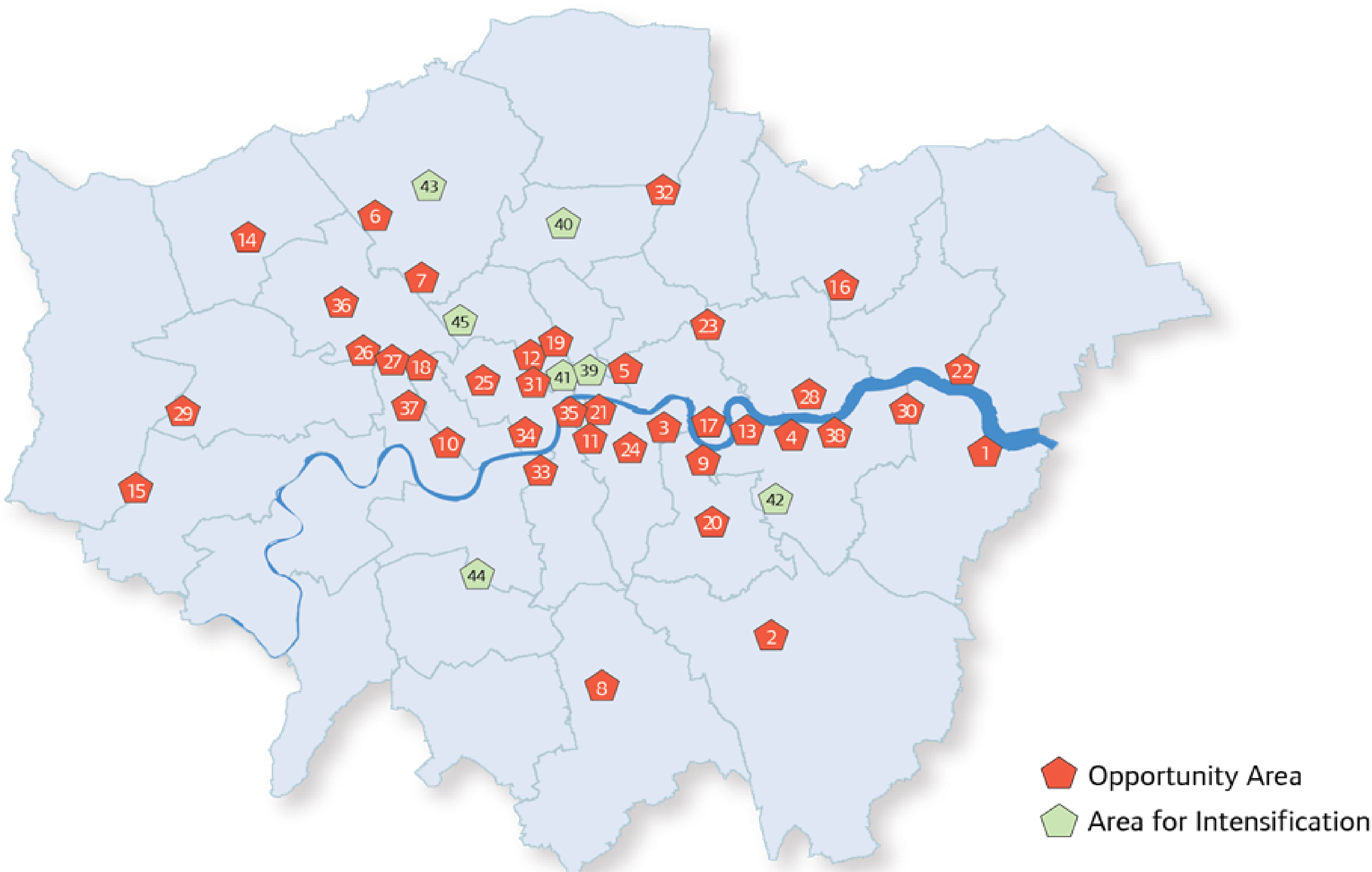


Regeneration Areas

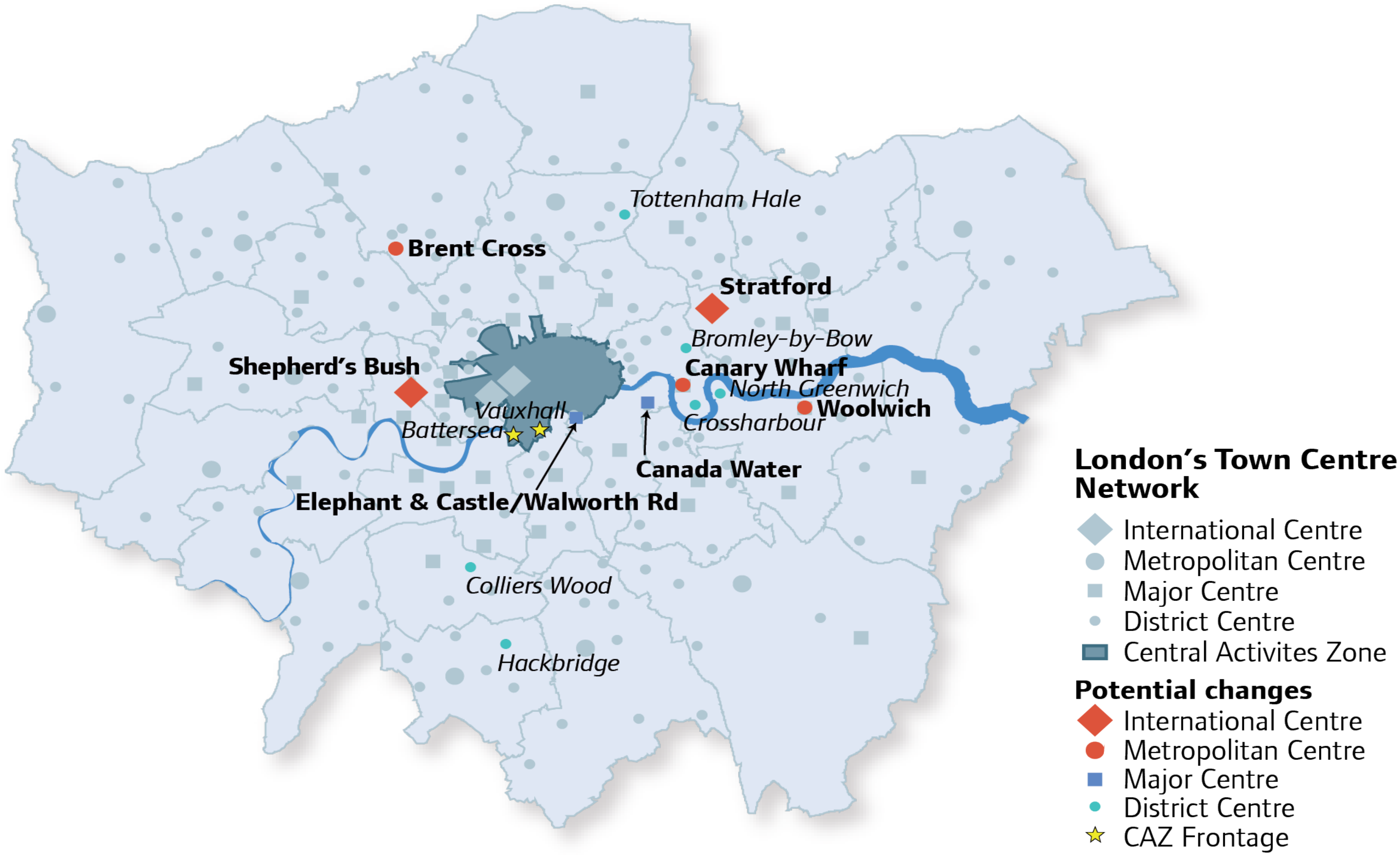


Source: Index of Multiple Deprivation

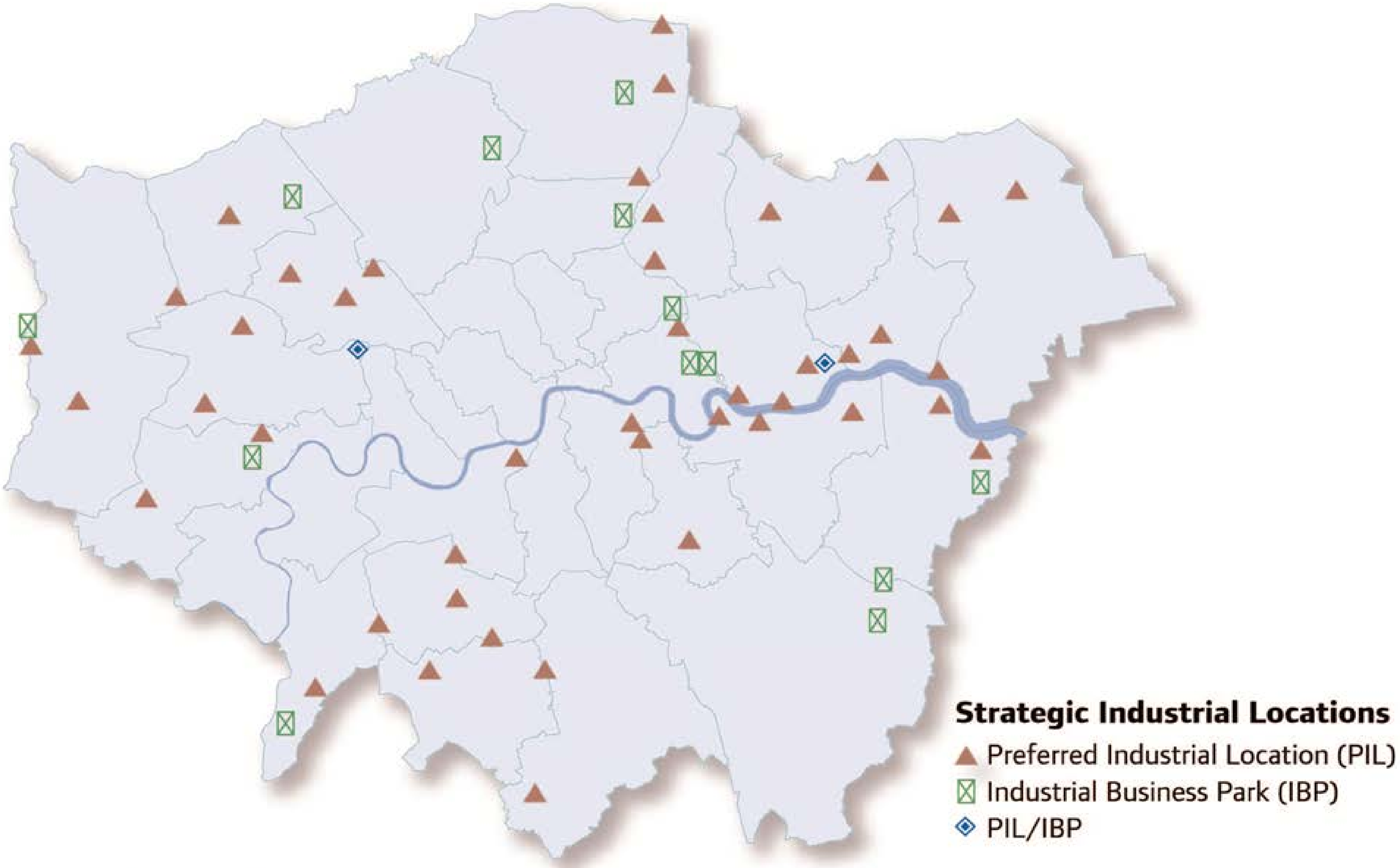
Opportunity and Intensification Areas



Potential future changes to the Town Centre Network



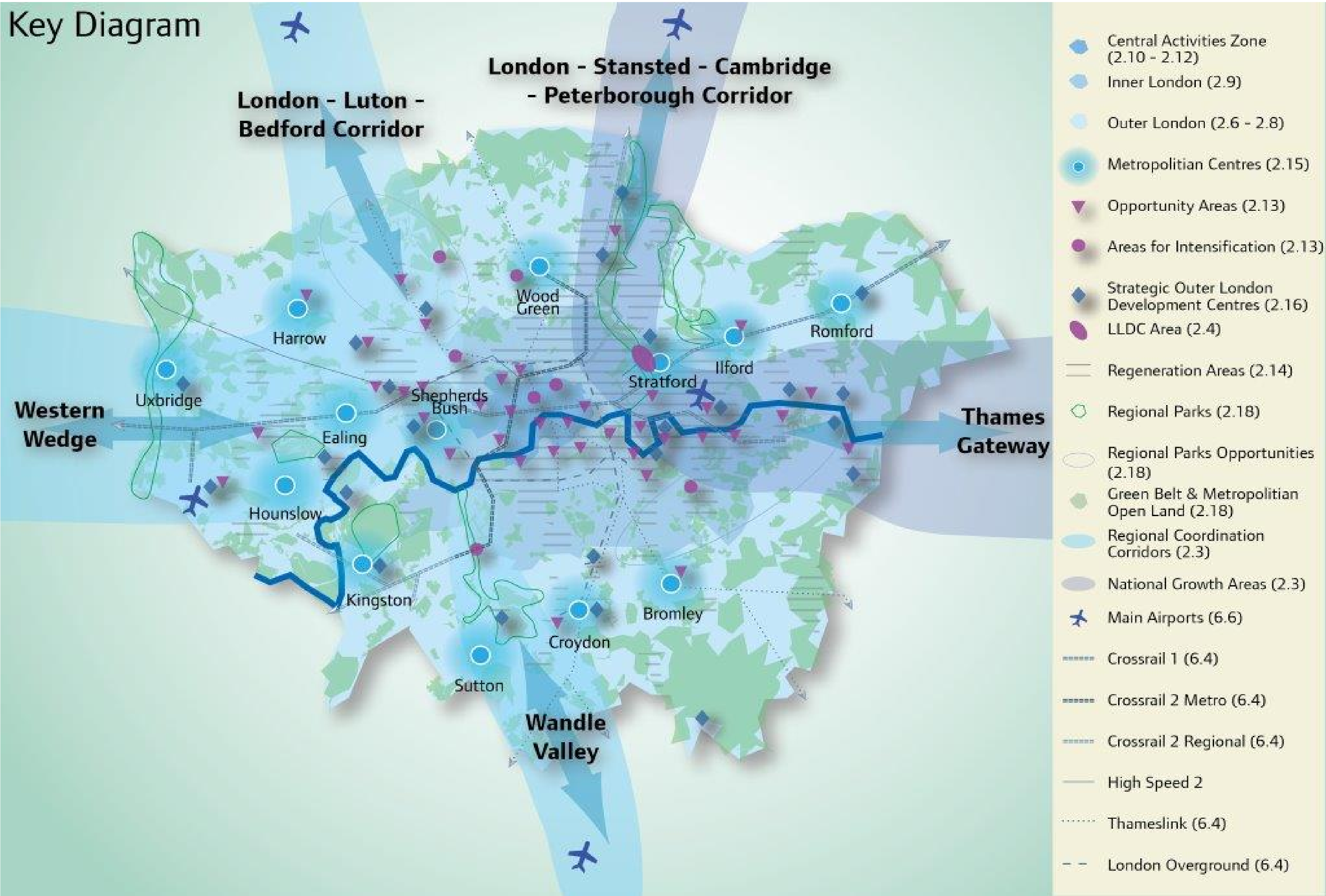
Strategic Industrial Locations



Outer London Development Centres

Strategic function(s) of greater than sub-regional importance	Potential outer London development centres
Leisure/tourism/arts/culture/ sports	Wembley, parts of Greenwich, Richmond/ Kingston, Stratford, **Royal Docks,** the Lower Lee Valley and the Upper Lee Valley, Hillingdon and the Wandle Valley, **Crystal Palace**
Media	White City, parts of Park Royal**, Hounslow (Golden Mile)**
Logistics	Parts of Bexley, Barking & Dagenham, Enfield, Havering, Hillingdon, Hounslow, Park Royal
Other transport related functions	Parts of Hillingdon, Hounslow, Royal Docks, Biggin Hill
Strategic office	Croydon, Stratford, Brent Cross/ Cricklewood (subject to demand)
Higher Education	Uxbridge, Kingston, Greenwich. Possibly Croydon, Stratford, Havering**, White City**
Industry/green enterprise	Upper Lee Valley, Bexley Riverside, London Riverside, Park Royal
Retail	Brent Cross, Stratford**, Wembley**

Key diagram


Key Diagram
London - Luton - Bedford Corridor
London - Stansted - Cambridge - Peterborough Corridor
Western Wedge
Thames Gateway
Wandle Valley
Harrow
Wood Green
Romford
Ilford
Stratford
Uxbridge
Shepherds Bush
Ealing
Hounslow
Kingston
Croydon
Bromley
Sutton
Central Activities Zone (2.10 - 2.12)
Inner London (2.9)
Outer London (2.6 - 2.8)
Metropolitan Centres (2.15)
Opportunity Areas (2.13)
Areas for Intensification (2.13)
Strategic Outer London Development Centres (2.16)
LLDC Area (2.4)
Regeneration Areas (2.14)
Regional Parks (2.18)
Regional Parks Opportunities (2.18)
Green Belt & Metropolitian Open Land (2.18)
Regional Coordination Corridors (2.3)
National Growth Areas (2.3)
Main Airports (6.6)
Crossrail 1 (6.4)
Crossrail 2 Metro (6.4)
Crossrail 2 Regional (6.4)
High Speed 2
Thameslink (6.4)
London Overground (6.4)

Chapter 3: people
Housing requirements

- CLG currently suggests c52,000 more households pa to 2021 (cf 34k in 2011 Plan)

BUT

- Is this a realistic basis for planning? Outdated household formation rates; what happens if recent changes are cyclical/short term? Accept “planning for uncertainty” – central theme for FALP

- New SHMA: ranges around GLA central household projection (40k); backlog of need (10 - 20 yrs); other factors eg second homes = 49-62k pa

Bridging the demand/supply ‘gap’

- New NPPF compliant, needs driven, higher density SHLAA

  = 42k pa supply (cf 2011 Plan 32k pa)

- Still leaves a ‘gap’: (49k/62k pa demand) – (42k pa supply)

  = -7k/-20 pa

- Bridging the gap <u>within</u> London: additional higher densities in hight PTAL locations:

  -Opportunity/Intensification Areas

  -Mixed use, housing led, town centre redevelopment

  -Surplus industrial land around transport nodes

  - Other large sites (+500 dwellings)

- Capacity to completions - the need for realism:

  -(214k in the pipeline but only 24k pa completions)

- Implications for the wider South East – see above

Housing Targets

Borough	Minimum ten year target 2015-2025	Annual monitoring target 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

Housing Choice

- Maintains priority for affordable family housing
- Older persons - population growth increases from 13k pa to 23k pa. Special needs - significant growth (3,600 – 4,200 pa): recognise distinct economics; allocate sites; mainly private (2,600 pa), new forms of intermediate (1,000 pa). Provision benchmarks
- Student accommodation - Academic Forum: need (2,000 – 3,100 pa) and provision; encourage dispersal; affordability; partnership working requirement
- PRS – recognise distinct economics (funding, amenity) in line with NPPF
- Custom build (Mayor's covenant); ex-forces needs: support through housing management

Mixed Communities and Affordable Housing

- 25,600 pa affordable housing need, 17,000 pa target
- Maintains 60% social/affordable rent and 40% intermediate split
- Intermediate: local eligibility criteria should not compromise need to maximise provision
- Strategic intermediate eligibility threshold £18,100 - £66,000 (family housing £80,000)
- Better links with London Housing Strategy
- Otherwise maintain policy

Social Infrastructure

- Flexibility to enable social infrastructure providers to ensure continued delivery (e.g. education and health)
- Clarifies new role of public health in boroughs and links to planning and new commissioning arrangements
- Stronger support for free schools and for co-location of schools with housing
- Underscores playing pitch strategies

Chapter 4: Economy

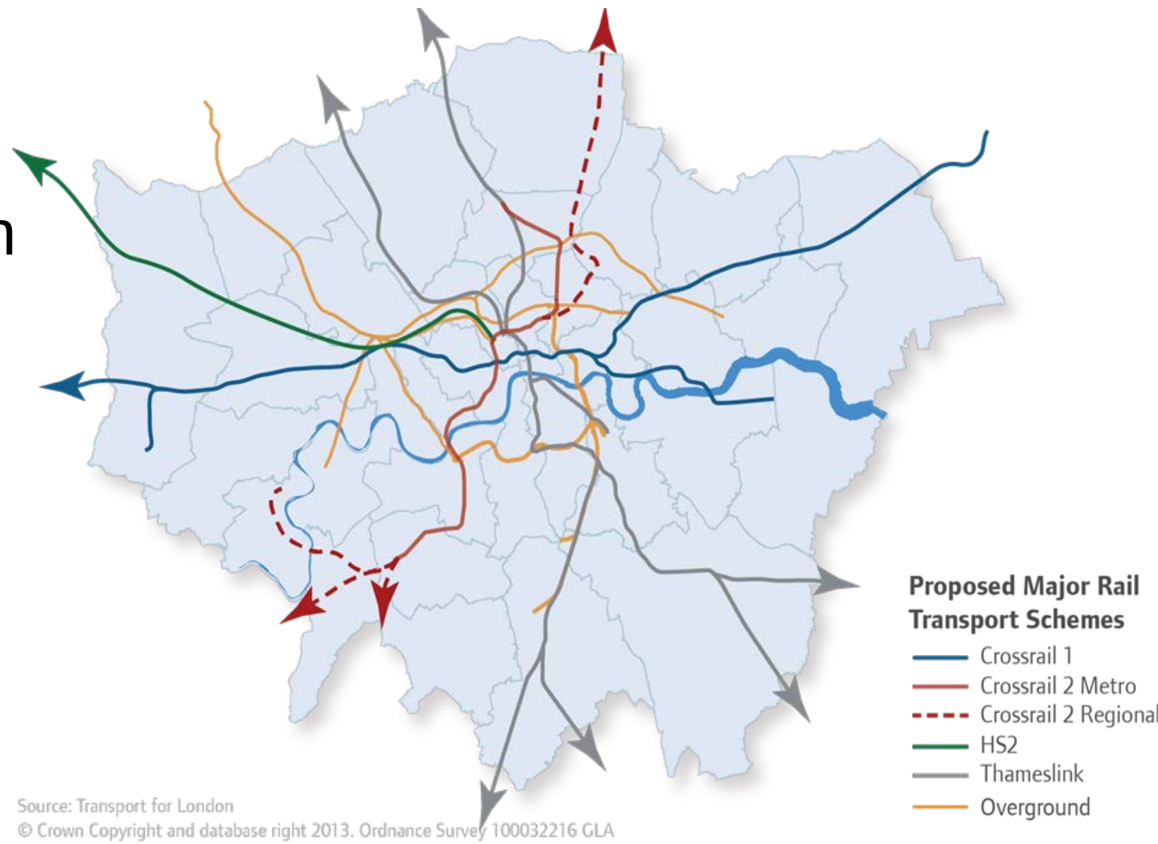
- New employment projections (34k pa cf 33k)
- New industrial, office, retail, tourism demand/supply assessments – up date policies
- Significant update to town centres/retail policy
- Minor update to industry
- Update CAZ office policy – loss to resi
- New ‘negative clustering’ policy nb for betting shops, takeaways, payday loan shops
- Support for pubs, SMART City

Chapter 5: Climate Change

- New policy promoting resilient power infrastructure provision
- Flood risk updates
- Updates on water quality and infrastructure eg Tideway Tunnel
- Updates waste projections, relations with ROSE, greenhouse gas calculator
- Updates on hazardous waste

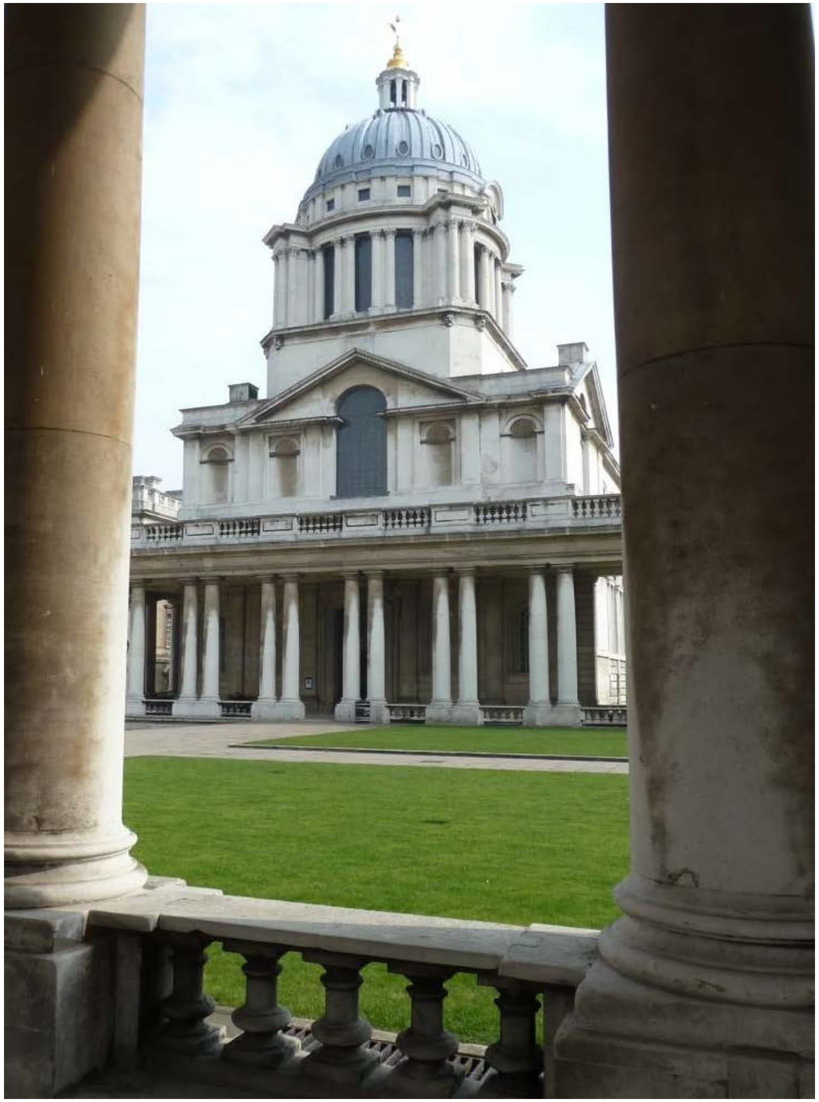
Chapter 6: Transport

- Highlight importance of Xrail 2 as next major infrastructure project
- Framework for HS2 in London
- Update infrastructure commitments
- Cycling: planning framework
- Parking policy refinement: nb Outer London



Chapter 7: living spaces and places

- Amplify definition of sustainable development
- Refine Lifetime Neighbourhoods policy incl Community Rights
- Clarify Designing out Crime
- Update policies on noise, POS, geology, trees, burials, World Heritage Sites
- Refine Blue Ribbon Network policy re Royals



Chapter 8: implementation, monitoring and review

- New policy to realise development potential through Mayoral Development Corporations, Enterprise Zones, Tax Increment Finance initiatives and Housing Zones
- New policy to support more effective coordination and delivery of infrastructure
- Greater flexibility on S106 priorities

FALP
next steps

consultation events
25 February North London
4 March Central London
6 March Voluntary Sector
11 March South London
13 March East London
18 March Business Sector
19 March West London
28 March Wider South East

PEM June 2014
EiP September 2014
publish/adopt by March 2015

planning coordination in the wider SE….

In London

- the Mayor must consult boroughs on the London Plan (GLA Act S.335)
- London boroughs' plans must be in general conformity with the London Plan (Planning and Compensation Act 2004 S.24(4)a)
- the duty to co-operate does not apply to London Plan preparation as similar GLA Act requirements apply, and the LP is not a local plan…
- this interpretation of DTC was found sound through the REMA EiP
- the Mayor is a 'prescribed public body' under the Localism Act
- "boroughs … are required to co-operate with other local planning authorities, county councils and prescribed bodies" (NPPG 2014)
- "the degree of cooperation needed between boroughs will depend on the extent to which strategic issues have already been addressed in the London Plan" (NPPG 2014)

planning coordination in the wider SE….

London and the Wider South East

- the Mayor must consult on the London Plan with counties/districts adjoining London (GLA Act S.335)
- the Mayor must inform local planning authorities in the vicinity of London of his views concerning any matters of common interest relating to the planning or development of London or those areas (GLA Act S.348)
- DTC does not apply to London Plan preparation but similar GLA Act requirements apply…
- authorities outside London have a duty co-operate on strategic matters: defined as "sustainable development or the use of land which has an impact on at least two planning areas" (Localism Act S.110, NPPG)
- authorities should co-operate with the Mayor as a 'prescribed person', and similarly, the Mayor should co-operate with them on their plans…
- "cooperation between the Mayor, boroughs and local planning authorities bordering London will be vital to ensure that important strategic issues, such as housing delivery and economic growth, are planned effectively (NPPG 2014)

planning coordination in the wider SE….

London/wider SE coordination mechanisms

- Mayor discussion paper “Cross-boundary cooperation on strategic planning for London and the wider metropolitan area” published October 2012
- workshop held March 2013
- Housing and demography in the wider South East – October 2013
- Strategic Spatial Planning Liaison Group established
- officer representation from wider SE and London, meets quarterly
- has developed a housing/demography focus

- statutory consultation with you on FALP…
- Mayor’s responses to your emerging plans…
- consultation on the 2050 Infrastructure Plan…

Areas of responsibility

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Chapter 6 Transport peter.heath@london.gov.uk

Chapter 7 Built environment rachael.rooney@london.gov.uk,
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jorn.peters@london.gov.uk (Blue Ribbon Network)

Chapter 8 Implementation jorn.peters@london.gov.uk


Questions?
Join the debate on Twitter: #LondonPlan

planning coordination in the wider SE….

the 'Bedford letter'…

- the focus of FALP is London's growth
- FALP seeks to accommodate this growth within London
- but there could still be a housing need/supply gap – this uncertainty remains until the demographics bed down
- authorities outside London should take account of these factors, particularly whether London out-migration will resume
- 'normal' migration trends may be better reflected in 2008 rather than 2011 CLG household projections
- Mayor exploring what-if scenarios for wider SE in Infrastructure Plan
- Mayor encourages you to plan strategically for what may well be growing populations

London Infrastructure Investment Plan 2050

FALP Consultation Event

- 28 March 2014 -

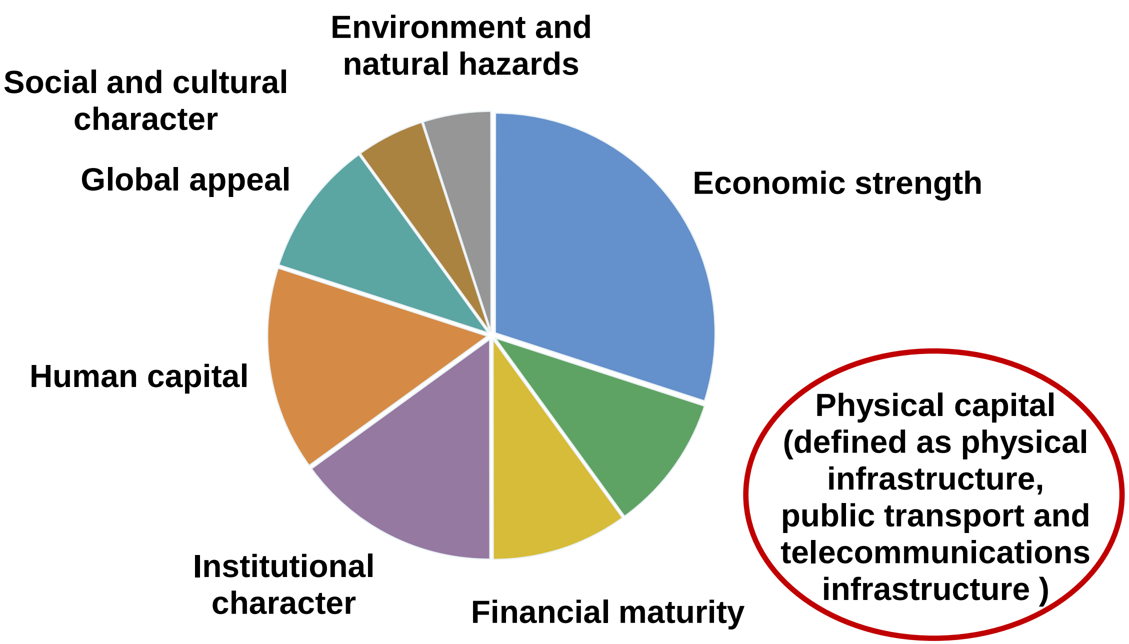
Content

CONTEXT

Infrastructure is a key component of a city's competitiveness and therefore productivity and growth…

Competitiveness is defined as the set of institutions, policies, and factors that determine the level of productivity of a country (World Economic Forum)

According to the Economist Intelligence Unit report (2013), *HotSpots 2025 - Benchmarking the future competitiveness of cities*, the following mix makes a city competitive:



The 12 pillars of competitiveness of the World Economic Forum:

1. Institutions
2. Infrastructure
3. Macroeconomic environment
4. Health and primary education
5. Higher education and training
6. Goods market efficiency
7. Labour market efficiency
8. Financial market development
9. Technological readiness
10. Market size
11. Innovation
12. Business sophistication

…London is a world competitive city having the ability to attract capital, businesses, talent and visitors…

Competitiveness	
New York	1
London	2
Singapore	3
Hong Kong	4
Tokyo	5
Sydney	6
Paris	7
Stockholm	8
Chicago	9
Toronto	10

Source: Economist Intelligence Unit 2013

Competitiveness	
London	1
New York	2
Singapore	3
Chicago	4
Paris	5
Amsterdam	6
Toronto	7
San Francisco	8
Berlin	9
Stockholm	10

Source: IBM 2013

…yet London's infrastructure is not best in class.

Transportation and Infrastructure	
Singapore	1
Seoul	2
Toronto	3
Tokyo	4
Hong Kong	5
Stockholm	6
New York	7
London	8
Paris	9
Berlin	10

Source: PwC 2012

The World Economic Forum, Executive Opinion Survey (2013) finds the UK on the 28th position in terms of quality of infrastructure compared to other countries. In its own rankings, the WEF places the UK on the 8th position.

UK scores 62nd out of 185 countries in the ease of securing electricity connections (World Bank 2012)

Green City Index	
Copenhagen	1
Stockholm	2
Oslo	3
Vienna	4
Amsterdam	5
Zurich	6
Helsinki	7
Berlin	8
Brussels	9
Paris	10
London	11
Madrid	12
Vilnius	13
Rome	14
Riga	15

Source: Economist Intelligence Unit 2012

Mayor's Vision: London in 2050 is a competitive world city that continues attracting people, businesses and capital from around the world.

We all want London to remain a major international competitive city, so we need to start thinking what we need to do today to ensure we fulfil those expectations for the future:

- We need world class infrastructure

- Coordination among all key actors

- We need a plan for our infrastructure requirements to bring these elements together and support this vision

Given the nature of infrastructure delivery, long term planning is necessary

London needs a long term, comprehensive Infrastructure Investment Plan that sets out the overall approach, assesses requirements, costs and sources of funding and financing.

- The London Finance Commission argued that as data on investment needs of the city are contained separately in many documents and that costs are often not properly understood, a more comprehensive assessment is required for London.

- The Infrastructure Investment Plan takes a long term approach (to 2050)

  A. Sets out the overall approach

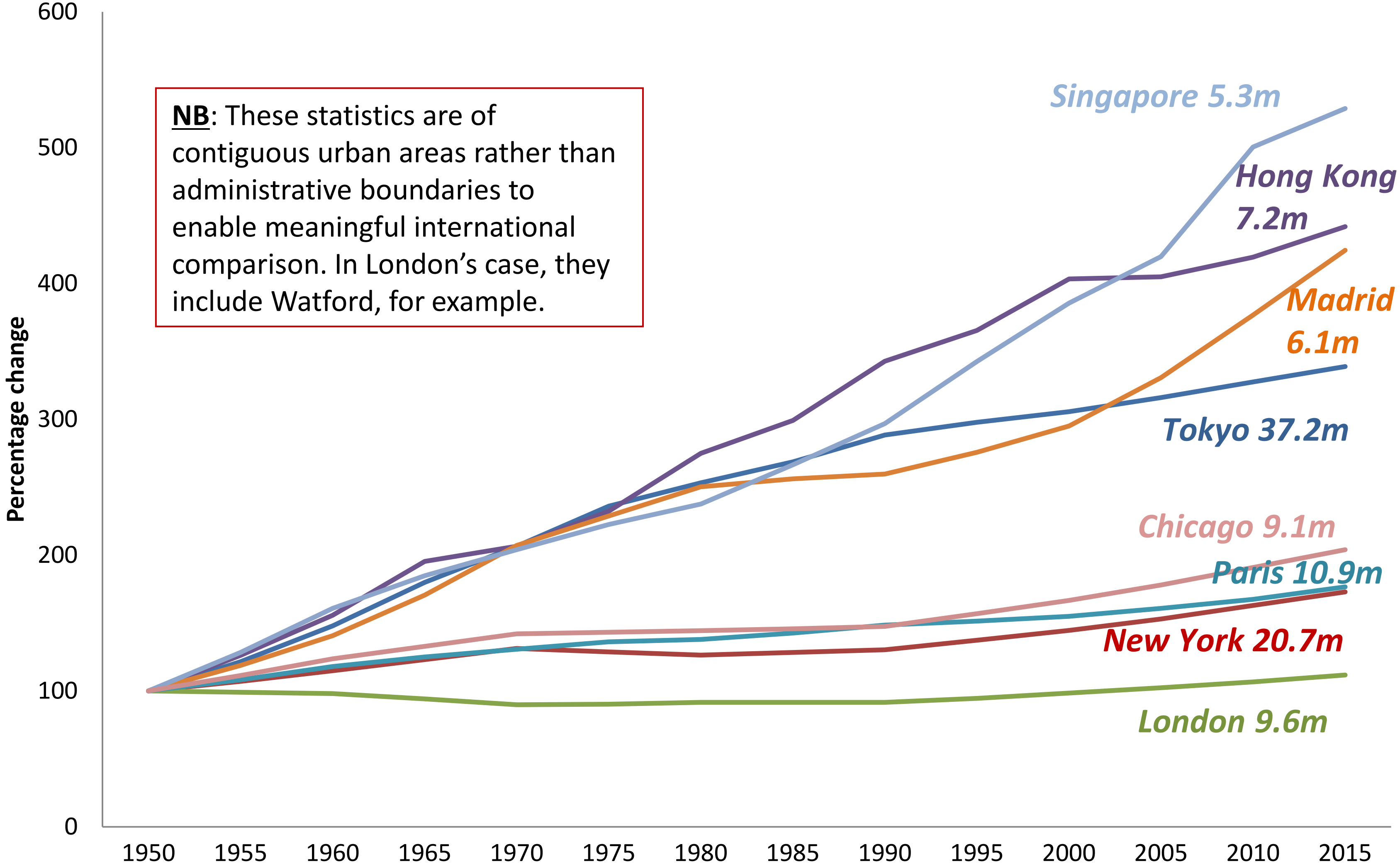
  B. Assesses the high-level infrastructure requirements for London and what is needed to maintain the current assets across sectors (transport, energy, water, waste, telecoms, green infrastructure, housing and schools)

  B. Understanding the magnitude of costs involved

  C. Setting out how we might pay for it all

GROWTH

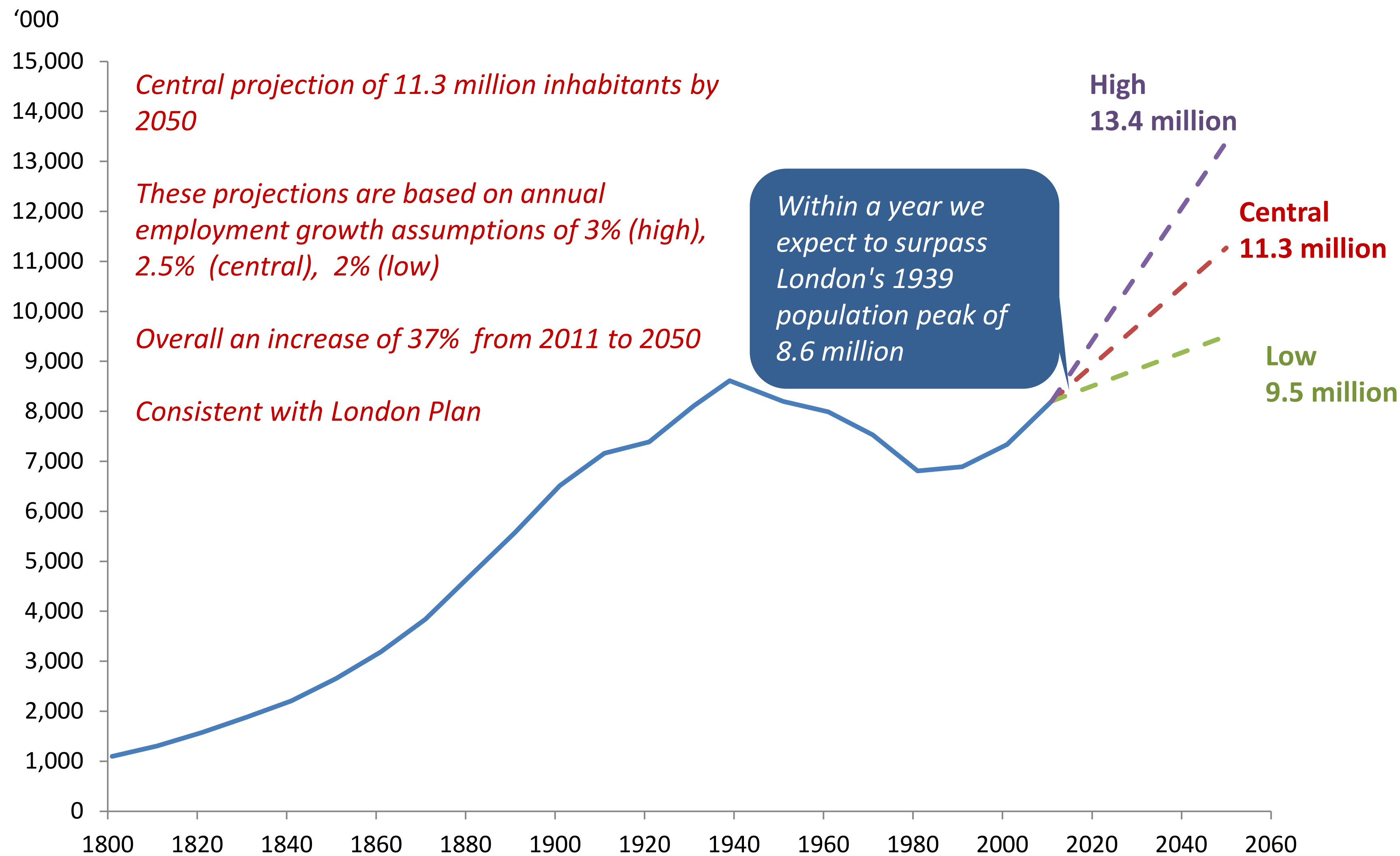
London’s population has been quite stable since 1950s compared to other cities, but has been increasing in recent years.



NB: These statistics are of contiguous urban areas rather than administrative boundaries to enable meaningful international comparison. In London’s case, they include Watford, for example.

Source: Using UN Population Estimates

London’s population is projected to continue growing and will soon exceed its previous peak



Source: GLA Intelligence Unit

Continued growth will affect our infrastructure requirements.

- Demand for public transport is expected (50-60% increase in trips) with a continuing trend in mode shift from car and increasingly dense patterns of development
- 1.5 million new homes needed between 2020 and 2050 (assuming 50,000 per annum)
- 6,400 primary classes (assuming 30 children per class); that would translate to over 300 additional primary schools if on average they had three classes in each year group.
- 3,900 secondary classes, or 130 new schools each year.
- High risk of demand outstripping supply across various infrastructure types – energy in particular – in the shorter term [more concrete analysis will come after ARUP's costing work]

While London has continued to thrive within (and despite) the bounds of current infrastructure provision, population projections alone (which show London's population is set to reach 11 million by 2050) are a sound demonstration that infrastructure provision in its current form is unfit for purpose. If the system is already failing to deliver enough housing, schools and power, a failure to plan ahead properly will impede the fulfilment of the city's economic potential in future, eroding its capacity to support dense clusters of activity and thus eroding productivity.

We are assessing various scenarios - and their impact on infrastructure needs (and costs) – that would accommodate London’s growth.

London’s projected growth will impact beyond London’s boundary, both in terms of economic growth and where people will live and travel between.

<u>Coordinated National, Regional and London planning required to plan for growth.</u>

The LEPs will play an instrumental role in supporting that coordination

Progress Report – key topics covered

A. Background - Why are we doing this?

B. London at 2050

C. Methodology

D. Consultation

E. Emerging issues

F. Next steps

Key question
Consultation report – summer 2014
Final – end of 2014

Key Question

A. What are the major infrastructure projects you need to work with London on?

Responses requested by 31 May 2014

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Table1: London domestic migration flows

Mid year to mid year period	Inflow	Outflow	Net Outflow
2001-2	172,550	261,619	89,069
2002-3	169,975	273,139	103,164
2003-4	169,149	279,289	110,140
2004-5	178,866	263,868	85,002
2005-6	186,952	263,167	76,215
2006-7	191,726	268,982	77,256
2007-8	192,214	260,174	67,960
2008-9	205,067	237,243	32,176
2009-10	200,860	243,390	42,530
2010-11	201,601	241,964	40,363
2011-12	203,023	255,136	52,113

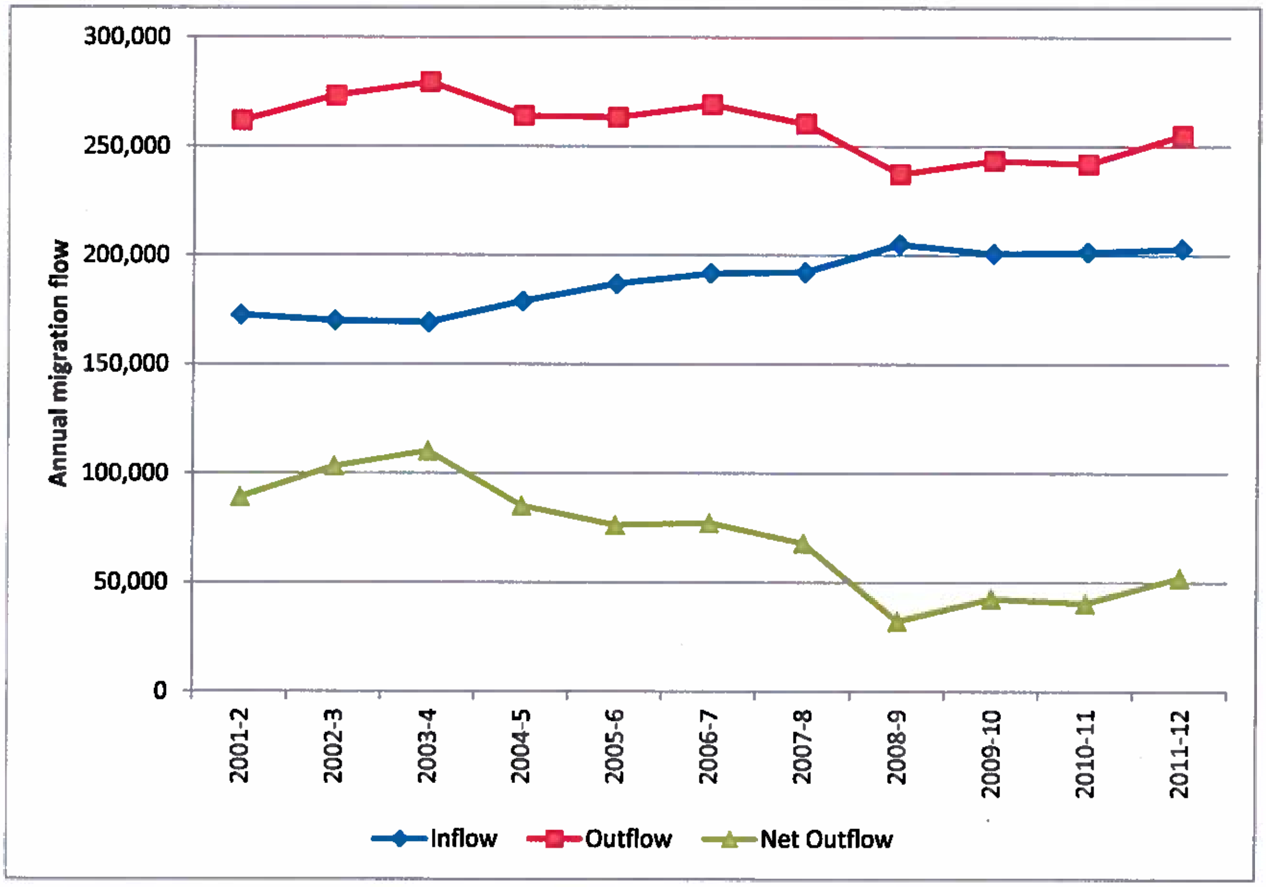
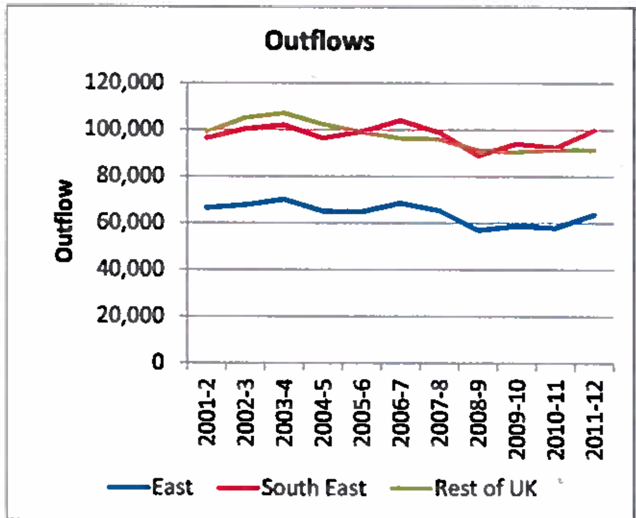
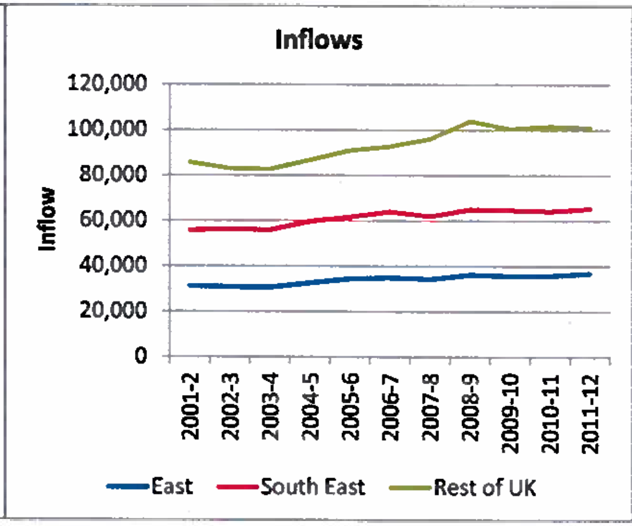


Table 2: London migration by region

	Outflows				Inflows				Net			
Year	Total	East	South East	Rest of UK	Total	East	South East	Rest of UK	Total	East	South East	Rest of UK
2001-2	261,619	66,490	96,390	98,739	172,550	31,150	55,810	85,590	-89,069	-35,340	-40,580	-13,149
2002-3	273,139	67,650	100,420	105,069	169,975	30,630	56,370	82,975	-103,164	-37,020	-44,050	-22,094
2003-4	279,289	70,140	102,020	107,129	169,149	30,560	55,940	82,649	-110,140	-39,580	-46,080	-24,480
2004-5	263,868	65,030	96,460	102,378	178,866	32,460	59,640	86,766	-85,002	-32,570	-36,820	-15,612
2005-6	263,167	64,770	99,320	99,077	186,952	34,310	61,660	90,982	-76,215	-30,460	-37,660	-8,095
2006-7	268,982	68,510	104,160	96,312	191,726	34,980	64,010	92,736	-77,256	-33,530	-40,150	-3,576
2007-8	260,174	65,330	98,830	96,014	192,214	34,240	61,910	96,064	-67,960	-31,090	-36,920	50
2008-9	237,243	57,050	88,970	91,223	205,067	36,180	65,000	103,887	-32,176	-20,870	-23,970	12,664
2009-10	243,390	58,770	94,060	90,560	200,860	35,670	64,720	100,470	-42,530	-23,100	-29,340	9,910
2010-11	241,964	57,950	92,400	91,614	201,601	35,740	64,190	101,671	-40,363	-22,210	-28,210	10,057
2011-12	255,136	63,695	100,014	91,428	203,023	36,708	65,370	100,944	-52,113	-26,987	-34,643	9,517





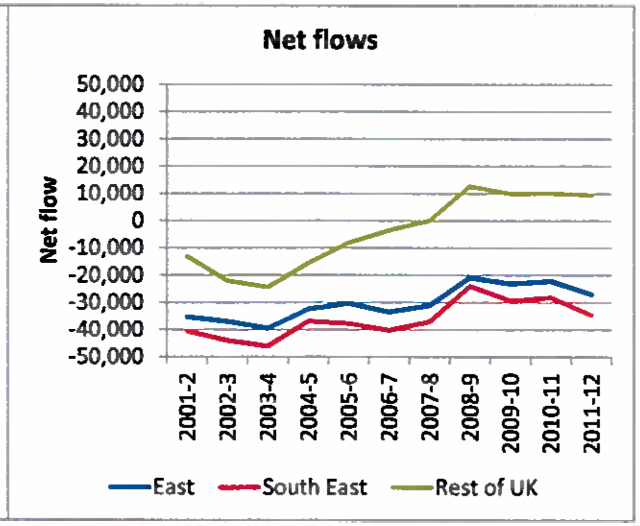


Table 3: London international migration

Year	Outflows	Inflows	Net
2001-2	95,996	171,726	75,729
2002-3	114,055	220,889	106,834
2003-4	91,800	229,796	137,996
2004-5	95,882	209,553	113,671
2005-6	101,179	170,412	69,233
2006-7	114,769	191,239	76,470
2007-8	101,156	187,998	86,842
2008-9	116,666	192,007	75,341
2009-10	124,286	201,113	76,827
2010-11	102,387	194,729	92,342
2011-12	107,386	176,350	68,964

note: estimates prior to 2005-6 are much less robust than subsequent data

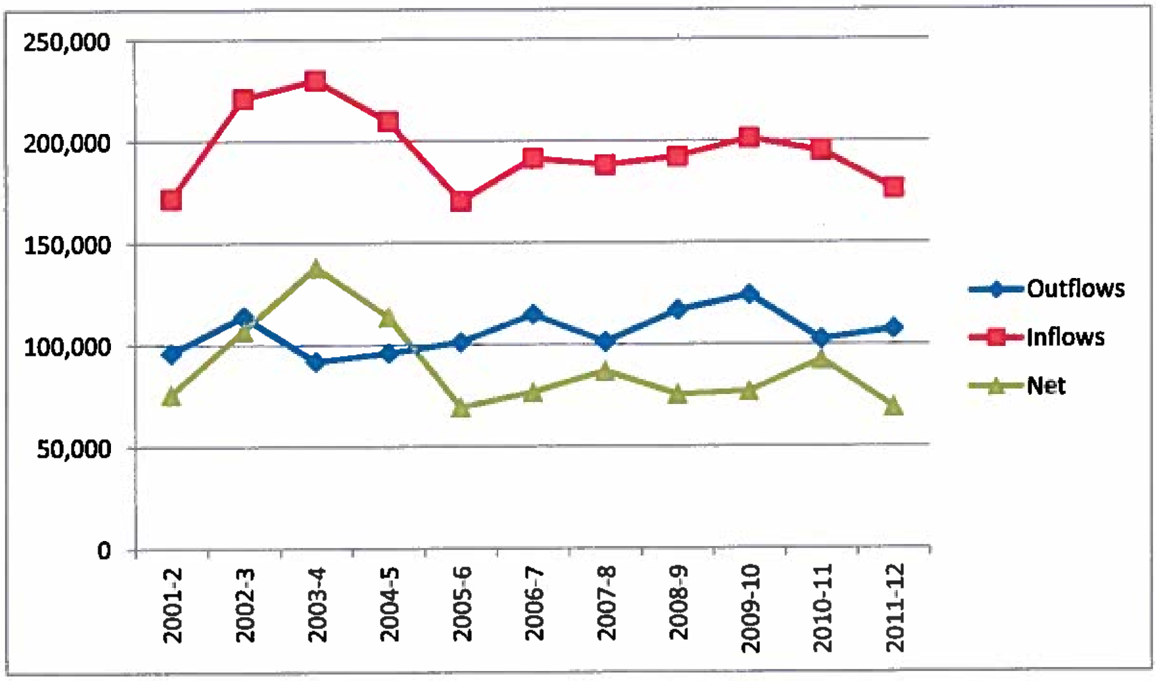


Table 4: Calender year house sales by region

Year	London	East Midlands	East of England	North East	North West	South East	South West	Wales	West Midlands	Yorkshire and The Humber	England & Wales
2000	148,025	95,098	128,238	46,804	134,054	188,503	124,393	53,305	95,957	99,693	1,114,070
2001	162,827	105,728	143,115	52,824	144,862	209,489	137,085	59,226	103,660	111,749	1,230,565
2002	174,909	113,872	149,119	59,423	167,490	224,162	142,267	66,590	115,313	124,102	1,337,247
2003	155,299	104,733	134,970	61,511	169,118	197,702	128,300	64,209	107,864	122,915	1,246,621
2004	165,636	104,748	139,930	59,871	167,200	207,728	128,550	57,927	109,025	120,475	1,261,090
2005	137,764	86,847	117,678	49,929	133,276	174,515	110,665	47,530	92,020	101,926	1,052,150
2006	172,514	107,966	148,248	60,285	162,625	223,549	143,583	59,493	112,453	124,673	1,315,389
2007	166,571	103,520	142,040	61,307	158,792	213,842	133,172	57,587	106,279	118,980	1,262,090
2008	81,753	54,212	71,122	30,247	79,062	109,281	69,382	30,950	55,914	62,226	644,149
2009	75,462	51,847	75,745	24,005	66,751	116,539	76,941	28,713	49,708	53,628	619,339
2010	91,956	53,760	79,378	25,531	70,359	120,766	77,909	30,533	53,024	54,606	657,822
2011	89,815	53,657	79,897	26,701	70,923	119,446	76,094	30,241	53,650	55,066	655,490
2012	92,201	53,615	79,058	25,657	68,343	120,367	76,702	29,757	53,375	54,905	653,980