

**MAYOR OF LONDON**

2026 London Strategic  
Housing Land Availability  
Assessment (SHLAA)

**June 2026**

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City Hall

Kamal Chunchie Way

London E16 1ZE

[www.london.gov.uk](http://www.london.gov.uk)

enquiries 020 7983 4000

Email [Londonplan@london.gov.uk](mailto:Londonplan@london.gov.uk)

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## 1. Executive summary

- 1.1 The Strategic Housing Land Availability Assessment (SHLAA) provides the evidence base for understanding London's capacity to meet its housing needs for the period 2027/28-2036/37. It has been prepared in alignment with the National Planning Policy Framework (NPPF), and government guidance, and informs the development of the policies in the London Plan. It is the principal evidence in support of the housing targets set in the London Plan.
- 1.2 The SHLAA shows that London has capacity for 558,451 homes during the 10-year period covered by the London Plan housing targets (2027/28 to 2036/37). This equates to an annualised capacity of c.55,800 homes a year.

### Methodology

- 1.3 The SHLAA follows a method which is broadly aligned to that set out in national planning policy and guidance. This report follows from previous London-wide studies to assess housing capacity, drawing on the GLA's digital planning programme to embed data from the Planning London Datahub and a new platform (Land4LDN) at the centre of the collaborative approach with Local Planning Authorities (LPAs) to create a shared evidence base for understanding London's land supply.
- 1.4 The SHLAA draws on two new key pieces of analysis to inform the assessment of estimated capacity, the Sustainable Access Measure (SAM) and the London Context Map, which are brought together as the Optimisation Framework (OF). The capacity estimates which are made through applying a constraints model to this framework interface with Design-led Capacity figures provided by LPAs for the majority of large sites. Through comparison with the OF, consistency is applied to the capacity estimates for comparable sites across London.
- 1.5 Given that the identified capacity needs to be developable – sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged – the study also considers the results of the London Plan Viability Study, and interprets them into a framework for assessing the likely contribution from sites in light of viability. Where sites have yet to secure planning permission and are assessed to be unviable over the 10-year period, with limited prospects of this changing, they are assessed at 10% of their capacity. Sites with a marginal viability result are assigned a 50% discount to their capacity to reflect the uncertainty of their development.
- 1.6 An approach to modelling the contribution which can be made from development on small sites, defined at sites less than 0.25 hectares in size, draws on work to prepare a London Small Sites Design Code, which informs the assessment of the total notional capacity on small sites. This notional capacity is then integrated with an analysis of the rates of delivery which are proposed to be set as target levels of delivery for each broad type of small site, based on an evidenced position in relation to the actually achieved rates of small site delivery over the past 15 years and the realistic prospects of increasing these rates across similar locations in all LPAs.
- 1.7 The SHLAA also provides a summary of work which aims at extending the identified capacity through reassessing sources of supply which have been limited in their scope to contribute through the application of constraints. In particular, the report details the

approach to the management of industrial land to enable some release for housing delivery, and the potential contribution from other brownfield sources, before considering Metropolitan Open Land and Green Belt.

### Headline findings

- 1.8 The SHLAA shows that during the 10-year period from 2027/28 to 2036/37 there is a developable housing capacity of c.**558,450 homes** across London.
- 1.9 This is drawn together from:
- the current stock of residential permissions, comprising the largest component of the identified developable supply – **245,635 homes**
  - the remaining stock of other large sites as assessed through the Land4LDN platform and discounted to reflect viability conditions – **74,723 homes**
  - the contribution from small sites modelled based on an uplift in rates beyond historic windfall to account for the anticipated effects of policy interventions – **136,914 homes**
  - a further component of supply from the proactive, plan-led release of well-connected industrial sites – **45,079 homes**, and
  - targeted release of Green Belt in sustainable locations – **56,100 homes**.
- 1.10 The identified developable supply for the 10-year period represents a slight uplift in overall capacity as compared to the current 2021 London Plan target of 522,870 homes (a 6.8% increase).

### What does this mean for housing targets?

- 1.11 The SHLAA is London-wide strategic evidence about housing capacity. It establishes the level of housing delivery which the London Plan and the policy approaches contained therein, will be able to bring about.
- 1.12 LPAs will be expected to plan for and seek to exceed the level of housing delivery which is set in the Plan. The targets are considered to be set at the minimum level and higher numbers are to be positively planned for to enable greater levels of delivery as viability conditions improve and over the longer term.
- 1.13 When bringing forward local plans, the GLA expects LPAs to account for the full capacity of all sites which have been identified through the SHLAA, incorporating any updated information about achievability which may influence conclusions with respect to deliverable and developable supply as a result of local evidence.
- 1.14 The Plan draws on additional sources of supply to diversify and supplement the established forms of delivery, sustaining levels of housing delivery whilst economic conditions remain challenging and closing the gap to housing need as soon as possible.

Table 1-1: Total developable housing supply identified by LPA (2027/28-2036/37, net units)

| LPA                    | Housing Capacity 2027/28 to 2036/37 |
|------------------------|-------------------------------------|
| Barking and Dagenham   | 9,698                               |
| Barnet                 | 32,730                              |
| Bexley                 | 6,217                               |
| Brent                  | 25,316                              |
| Bromley                | 7,507                               |
| Camden                 | 12,085                              |
| City of London         | 1,716                               |
| Croydon                | 21,544                              |
| Ealing                 | 32,054                              |
| Enfield                | 21,062                              |
| Greenwich              | 27,850                              |
| Hackney                | 10,584                              |
| Hammersmith and Fulham | 16,784                              |
| Haringey               | 19,030                              |
| Harrow                 | 12,010                              |
| Havering               | 21,712                              |
| Hillingdon             | 24,030                              |
| Hounslow               | 17,975                              |
| Islington              | 6,768                               |
| Kensington and Chelsea | 5,904                               |
| Kingston upon Thames   | 6,872                               |
| Lambeth                | 16,370                              |
| Lewisham               | 14,052                              |
| Merton                 | 14,272                              |
| Newham                 | 26,260                              |
| Redbridge              | 16,130                              |
| Richmond upon Thames   | 5,397                               |
| Southwark              | 27,799                              |
| Sutton                 | 4,781                               |
| Tower Hamlets          | 24,704                              |
| Waltham Forest         | 19,070                              |
| Wandsworth             | 26,609                              |
| Westminster            | 12,224                              |
| OPDC                   | 11,335                              |
| <b>Total</b>           | <b>558,451</b>                      |

## 2. Introduction

### The role of the SHLAA

- 2.1 The 2026 SHLAA is a key part of the evidence base informing the new London Plan. It plays an important role in understanding the capacity of London to meet its housing need. The SHLAA provides a framework for understanding the level of housing delivery that current plans and policies can be expected to provide for, and any uplift which could be delivered through potential policy changes.
- 2.2 The background to this is the 84,884 per annum housing need figure for London derived from the government's Standard Method, which is the starting point for considering how many homes need to be planned for. This is a substantial increase over the current housing requirement set in the 2021 London Plan of 52,287 homes per annum.
- 2.3 Through the plan-making process the SHLAA provides a framework for considering the amount of housing which could be delivered through potential policy changes – both in terms of the requirements on, and form of development, as well as suitable locations.
- 2.4 This report details the process which has been undertaken to assess the extent to which London can meet its housing need, exploring the options considered and their potential contribution. The assessment runs from a base year of 2025 to 2050 informing the housing requirements proposed in the draft new London Plan, and looking beyond the target-setting 10 years to support additional delivery in the longer term and inform the direction of future strategic growth.

### Structure of the report

- 2.5 The SHLAA report is structured as follows:
  - Chapter 3 – discusses the role of the SHLAA in developing a spatial development strategy for London, situating the methods used in this study against the expectations of current National Planning Policy and guidance.
  - Chapter 4 – introduces Land4LDN and outlines the process by which the sites informing the assessment were gathered and assessed in terms of their suitability, availability and achievability.
  - Chapter 5 – sets out the process by which the capacity and phasing of potential sites was undertaken. The new optimisation framework updates the approach to capacity estimation from the previously used density matrix, benefiting from the newly developed Sustainable Access Measure (SAM).
  - Chapter 6 – outlines how the results of the London Plan Viability Study have been incorporated into an assessment of the achievability of sites across the Plan period.
  - Chapter 7 – presents the findings on housing capacity from the large sites in the Land4LDN system, and details the number and proportion of sites which were assessed and discounted through the process.
  - Chapter 8 – explains the approach of estimating the housing capacity contribution from small sites.
  - Chapter 9 – presents the findings on housing capacity from small sites.

- Chapter 10 – brings together the findings of the previous sections and presents a total developable land supply across large and small sites. This total is compared to housing need and consideration made of the extent of the gap to need, and prospects for closing it.
- Chapter 11 – details the approach to the management of industrial land to enable some release for housing delivery.
- Chapter 12 – considers the prospect of closing the identified gap to need further by introducing other sources of brownfield land and MOL.
- Chapter 13 – sets out how the capacity of the Green Belt was estimated and details the findings over the period for which housing targets are set.
- Chapter 14 – outlines the longer-term capacity which remains from the various components of supply outlined above.
- Chapter 15 – concludes on the extent to which London is able to meet its housing needs, given the available evidence on developable land supply and testing of options for increasing delivery as far as possible.

### 3. Role of the SHLAA and relationship to National Planning Policy and Guidance

- 3.1 The purpose of the Strategic Housing Land Availability Assessment (SHLAA) is to identify the amount of housing capacity which can be delivered across the period covered by the new London Plan.

#### Approach to the assessment

- 3.2 The direction to undertake a SHLAA follows from Paragraph 72 of the NPPF, which states that:

*Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability...*<sup>1</sup>

Planning Practice Guidance defines such an assessment as:

*An assessment of land availability identifies a future supply of land which is suitable, available and achievable for housing and economic development uses over the plan period*<sup>2</sup>.

The expectation is that it is a foundation for consideration of the options considered through the plan-making process in relation to the extent to which different decisions may influence housing delivery.

- 3.3 The PPG gives a treatment of how these three criteria (suitability, availability and achievability) are to be considered.

*A site or broad location can be considered suitable if it would provide an appropriate location for development when considered against relevant constraints and their potential to be mitigated.*

*A site can be considered available for development, when, on the best information available (confirmed by the call for sites and information from land owners and legal searches where appropriate), there is confidence that there are no legal or ownership impediments to development.*

*A site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time*<sup>3</sup>.

- 3.4 It is important to recognise that an assessment of housing land availability does not occur in a vacuum. There is always already a current pipeline of potential housing delivery, with an attached level of expectation about the likelihood of it being delivered and degree of certainty about the precise form of development.

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<sup>1</sup> National Planning Policy Framework, paragraph 72.

<sup>2</sup> Planning Practice Guidance, <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>. Paragraph: 001 Reference ID: 3-001-20190722

<sup>3</sup> Ibid. Paragraph 18-20,

- 3.5 The purpose of the SHLAA is to take an inventory of what is known, in the form of this pipeline, consider its sufficiency against identified needs, and to look at ways of bringing forward additional supply in order to meet them through considering a range of options. This should provide for an appropriate level of detail about the housing delivery implications of such options when developing policy.
- 3.6 As a result, this exercise is not presented as a single process where all sites are assessed and sifted with the results self-evident, but seeks to explain the stages through which the GLA has fully investigated options for increasing delivery as far as possible. What is possible in turn, is considered through the lenses of what is reasonable and what is plausible in light of plan objectives and other evidence.
- 3.7 This SHLAA builds on the approach of the previous London-wide SHLAA exercises, combining the best available information at the local level by working collaboratively with all London LPAs, with a set of strategic tools (the Sustainable Access Measure, Optimisation Framework, and London-wide viability study) to ensure the consistency of the approach across the capital.
- 3.8 From the initially provided detail, which corresponds to each LPA's local interpretation of the policy framework, we have applied a series of checks against general expectations about the form and speed of delivery, to arrive at a hybrid picture of the housing which can be expected to be delivered. This first carries forward current trends and patterns of delivery, and then applies adjustments to represent the emerging plan's policies on optimisation and making best use of land more broadly.
- 3.9 This report starts by setting out the approach and results which follow from the optimisation of all known large and small sites assessed through the exercise. It then presents a stock-take, considering the gap between the initially provided for developable land supply and level of delivery required to meet housing need. An initial set of alternative policy options in respect of form parameters expressed in the Optimisation Framework and constraints discounts applied is presented, with the possible contribution towards closing the gap to housing need identified.
- 3.10 Having established that simply reappraising policy-unsuitable sites (associated with flood risk and industrial land constraints) was insufficient to close the gap to need, we then detail the approach taken to proactively search for additional sources of supply. This first considers options of further release of designated industrial land, and then having demonstrated that there are exceptional circumstances (due to being unable to meet from other sources the identified need for new homes,) looks to green belt.

#### Time period covered by the assessment

- 3.11 The assessment has been prepared over the course of 2025 and 2026 to inform the preparation of the draft London Plan.
- 3.12 The base date of the SHLAA is the 1st April 2025. The report uses financial years, running from the 1st April to the 31st March as the time-unit of reporting. Expected completions are provided for the 2025-26 and the 2026-27 financial years, prior to the 10-year target setting period for the draft London Plan, which is FY2027/28 to 2036/37. The report identifies further capacity across the rest of the period to 2050, which have informed the identification of broad locations of growth in the draft London Plan.
- 3.13 At the time of publication, the GLA and LPAs in London have not yet confirmed housing completions for the 2025-26 reporting year. It is anticipated to provide an update to this

report to reflect the confirmed completions across these two years once these are available.

### Publication of site-specific detail

- 3.14 The SHLAA is not a site allocations exercise. The purpose of the SHLAA is to provide a robust indication of aggregate housing capacity at local planning authority level and across London. For this reason and because of the particular nature of brownfield sites in London which are in a range of active land uses, only sites that are already approved, allocated, or published as draft allocations for housing and therefore already in the public domain are identified in the SHLAA report<sup>4</sup>.
- 3.15 Site level information for other potential sites considered in the SHLAA remain confidential and it is for each individual local planning authority to determine which of these sites should be formally identified or allocated through their development plans and identified through brownfield registers.

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<sup>4</sup> These are available in Appendix I and on [London Datastore](#).

## 4. Land4LDN – sourcing and assessment of sites

### Land4LDN – a digital SHLAA

- 4.1 The Land4LDN platform has been developed to enable an improved approach to managing land supply data for London, and replaces the ‘fixed point in time’ SHLAA approach with a database bringing together live data on planning permissions with identified development sites to support plan-making and decision-taking.
- 4.2 This approach makes the connection between monitoring and delivery more explicit and provides a platform for LPAs and the GLA to share information about the implementation of planned housing delivery. It ensures that there is not duplication of effort in producing a consistent dataset for assessing the capacity for housing delivery by establishing a data platform where LPAs can enrich data which comes through from the various sources (Planning London Datahub, spatial files direct from LPAs, and sites from the Call for Sites). A snapshot of this data provides the basis for the analysis undertaken in this report. The same dataset can then be maintained and updated with specific additional information to provide a housing trajectory and evidence base for demonstrating a 5-year housing land supply.
- 4.3 Whilst the core functionality and effort can be shared across these functions, there are certain aspects of the system which have been developed specifically to be able to model the potential impact of particular policy choices on the expected quantum and form of housing to be delivered.
- 4.4 Across several key aspects of the modelling, the system makes use of a dual structure of ‘system-based’ rules which are compared to ‘LPA-defined’ specific values. This applies across site capacity and phasing. So long as they meet a set of conditions, LPA-defined values are adopted. Where they fall outside of an expected alignment with general principles, or where no data is available or provided, system-based rule derived values are used. These are elaborated on further in Section 5.
- 4.5 The platform has been developed in close collaboration with LPAs. The guiding principle has been to ensure that the system developed was of value to both LPAs and the GLA and seeks to address the key ‘pain points’ in preparing and maintaining accurate land supply data. It is expected that it will therefore be beneficial in use and more likely to be adopted and assimilated within existing planning and monitoring processes.
- 4.6 The Land4LDN programme commenced with a discovery phase undertaken across December 2023-January 2024 to reflect on past SHLAA exercises, scope the opportunities and understand constraints to some initial ideas from the borough perspective. The series of Show and Tell sessions run by the GLA across the period where the core system was being developed are published on the GLA website<sup>5</sup>.
- 4.7 In September 2024 the GLA launched the live Land4LDN platform, having refined the test environment through much iterative testing and feedback from borough users across the summer. This initial release provided the core functionality for processing the sites in the system, with the main focus in the first 6 months on processing the Call for Sites submissions. Through 2025 the GLA’s Land4LDN team and supplier Atkins-Realis worked to develop further functionality for managing the provision of data and integrating

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<sup>5</sup> <https://www.london.gov.uk/programmes-strategies/planning/digital-planning/land4ldn-programme>

constraint layers from various sources, as well as reporting and scenario testing capabilities.

- 4.8 The starting point for the 2026 SHLAA was reproduction of borough housing trajectories in a map-based environment, so that the assessment could benefit from an understanding of current delivery expectations already assumed in local plans in London. This involved configuring a live link to the Planning London Datahub to bring into the Land4LDN system all relevant planning approvals, and working with each of the LPAs to acquire and import the boundaries and key information of all adopted and emerging site allocations.

### Bringing in additional sites

- 4.9 In September 2024, the public Call for Sites was formally launched, inviting submission of proposals for potential sites for housing development across London. This ran from 18th September to 30th November 2024.
- 4.10 At the same time, the GLA requested that LPAs share any relevant site assessment layers, to capture any further new sites which might meet the definition of developable. LPAs were prompted to identify through the platform any additional sites which might meet this definition and together these were grouped as sites of the 'other borough dataset' class.
- 4.11 Finally, sites from the 2017 SHLAA exercise, which were not excluded, deleted, or subsequently completed were brought into the system.
- 4.12 Together these efforts to source new sites and reappraise sites (which have previously been anticipated to contribute to housing supply later in the plan period), address the need to ensure that the assessment has actively identified new sites and not just relied on the sites which are promoted through the Call for Sites.

### Site assessment and data cleansing

- 4.13 LPAs were directed to review the sites which had been submitted through the Call for Sites, giving consideration as to whether they should be included or excluded in the SHLAA database, with reference to the definition of developable set out in national policy and guidance.
- 4.14 If excluding the sites from further consideration through the SHLAA, a rationale had to be provided against (at least) one of: suitability, availability, achievability.
- 4.15 In addition to the guidance available in PPG<sup>6</sup>, there was guidance provided by the GLA to inform the processing by boroughs, which emphasised the following points in relation to decisions on considering whether sites were in principle developable:
- suitability was to be considered in relation to current adopted development plan policies, and not through envisioning how policies might be altered through a new plan<sup>7</sup>.

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<sup>6</sup> <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

<sup>7</sup> In order not to pre-empt the policy development and testing process which the GLA undertook to consider options for the new London Plan, and ensure that the Land4LDN database reflected current day conditions.

- the lack of a definitive indication of intent from a landowner was not to be taken as an in-principle reason for excluding sites on the basis of availability. Specific, known barriers preventing development were asked to be provided as supporting evidence, with uncertainty being addressed through later phasing of potential delivery.
- at the initial Call for Sites stage, achievability should be assumed, unless there was a recently completed high value development on the site, since it is only the principle of development being considered and the eventual proposed form of development once applied to a site will be assessed against a set of generic types for viability.

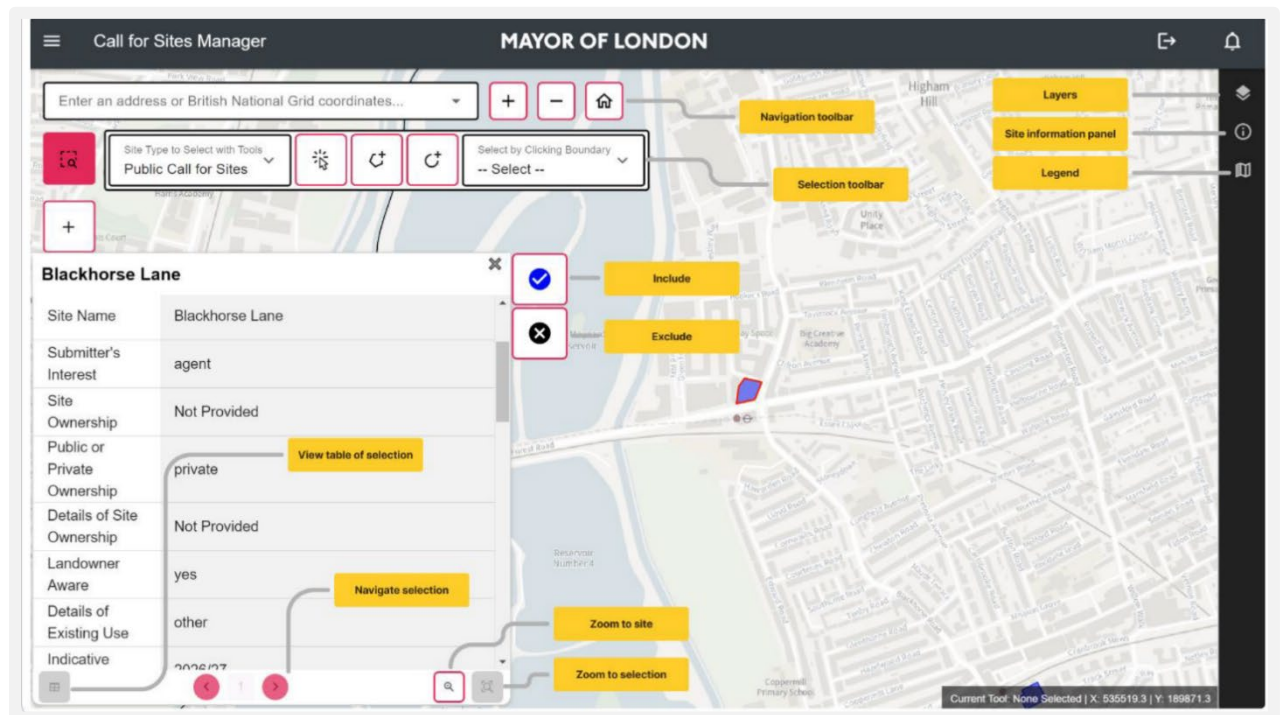


Figure 4-1 Land4LDN Call for Sites Manager interface

- 4.16 Those sites included for further assessment were plotted with the rest of the sites in Land4LDN, so that all information about sites from the different sources could be interrogated together.
- 4.17 One of the biggest challenges when maintaining a housing trajectory is keeping track of the changes which occur as new sites gain planning permission (or are otherwise considered to be likely to contribute to housing supply). These sites may already be accounted for in the trajectory by virtue of having been previously identified as part of another supply source (or another planning permission). They may sit alongside, or partially or completely supersede other permission records.
- 4.18 In order to ensure that the resulting platform can be a useful 'live' platform for understanding the land supply across London at any particular time, the Land4LDN platform incorporates a mix of system assumptions and rules privileging user-provided data where it meets certain criteria. This means that the database can be kept 'up-to-date', in effect, updating itself by applying a set of rules to model the anticipated impact of any changes to planning permissions on the land supply. In parallel, a suite of tools provided through the system to LPAs aide their review and determination of the correct position as part of quarterly monitoring activities.

- 4.19 These rules work by assuming a general hierarchy holds and that spatial overlaps between sites represent relationships between the buildings to be built. When a site overlaps a portion of another site which is in a 'lower' level layer, we discount any capacity which we expect to be built on this part of the site in the layer lower in the hierarchy. Depending on the source of the capacity estimate for the site (system-based or design-led) we apply different rules to the treatment of this discounting. This process aims to ensure that the status of various amounts of housing capacity is represented as accurately as possible, accounting for the process of identifying potential future supply.
- 4.20 In the example illustrated in Figure 4.2, the capacity which the 2017 SHLAA site originally has of 35 units is reassigned through the overlap calculation to the PLD site. This reassignment is based on the PLD capacity being 35 or greater, and therefore the whole of the design-led capacity for the other site should be within this area.

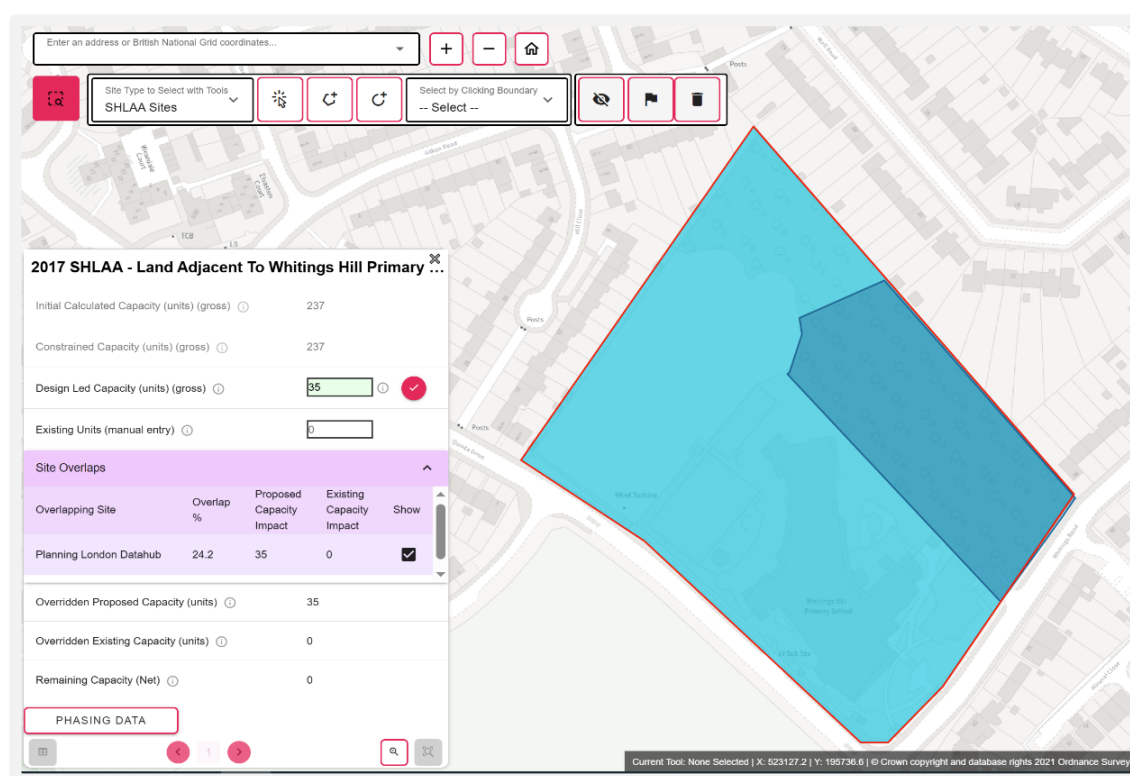


Figure 4-2 The relationship between sites in the Land4LDN hierarchy

- 4.21 What this means in practice is that we are able to more confidently describe the amount of capacity which has permission, or which is allocated, and that we have not lost some of the potential capacity along the way as permissions which implement the capacity identified in allocations supersede some (or all) of the initially identified capacity.
- 4.22 The LPA review of the sites across all of the sources (permissions, adopted site allocations, emerging allocations, other borough dataset, 2017 SHLAA, and Call for Sites) reduced the total number of sites from 6996 to 3086.
- 4.23 The GLA robustly reviewed all of the exclusions made to ensure that a clear rationale was provided and applied consistently across all LPAs. As part of this review, the GLA identified sites with insufficient evidence in support of the exclusions and reintroduced those which were considered to meet the tests outlined above (4.14-4.15).

## 5. Estimation of capacity and phasing of large sites

Sets out the process by which the capacity and phasing of potential sites was undertaken

- 5.1 This section outlines the approach which the SHLAA has taken to making estimates of the potential housing capacity of sites which have been identified through the process.
- 5.2 In preparing the SHLAA, we have sought to develop a connection between the assumed baseline level of delivery (represented by the level of delivery in current local plans and the London Plan 2021 and the policies contained therein), and the potential uplift to delivery that could be achieved by changing the policy approach in particular ways.
- 5.3 In order to facilitate this, it was necessary to develop a framework for estimating the capacity and phasing for each identified site, in order to adjust various parameters and model the impact on the capacity and phased delivery of new homes.
- 5.4 The following definitions represent the key stages in the analysis undertaken, capturing the factors referenced in section 4:
- Notional unconstrained capacity (system calculated)
    - The capacity of a site when applying the density parameters from the optimisation matrix based on the location of the site to the whole site area, irrespective of any site constraints.
  - Constrained capacity (system calculated)
    - The capacity of a site after applying constraint-based discounts to the notional capacity, to reflect how these affect what can be built on a given site.
  - Design-led capacity (LPA provided)
    - The capacity of a site proposed by an LPA, based on a design undertaken following the design-led approach<sup>8</sup>. This design-led capacity incorporates a response to the specific attributes of a site and its context. It can therefore be compared to the constrained capacity.
  - Net remaining capacity (mixed)
    - The remaining capacity of a site, accounting for any delivery which has taken place before the base year (FY2025/26). This is based on the design-led capacity where available, or otherwise on the constrained capacity.
- 5.5 The total baseline capacity identified is a combination of some design-led capacities, some system calculated capacities where a design-led capacity was not available or provided, and GLA-LPA review.
- 5.6 The approach to setting the density parameters in the optimisation matrix is expanded below.

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<sup>8</sup> As set out in London Plan Policy D3 and London Plan Guidance  
<https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/london-plan-guidance/optimising-site-capacity-design-led-approach-lpg>

### Density benchmarks

- 5.7 The SHLAA makes use of the 'Optimisation Framework (OF), which is a new strategic approach that provides a baseline for what making best use of land and site optimisation mean in different parts of London. The aim is to have a flexible and easily interpretable mechanism for estimating the potential impact on capacity of adjustments to our assumptions about the form of development and the requirements placed upon it.
- 5.8 The Optimisation Framework forms part of Policy MBUL2 (Optimising the use of land and site capacity) in the draft London Plan. It sets out a new approach to determining appropriate net residential densities and building heights in areas across London which share similar characteristics and transport connectivity. The OF re-establishes the relationship between residential density and transport connectivity by using a new Sustainable Access Measure (SAM) and London Context Map. In doing so, it provides a baseline for what site optimisation means across different parts of London. It applies to sites over 0.25 hectares and excludes Green Belt land and areas subject to specific local planning approaches.
- 5.9 The Framework was developed following a review of the London Plan's previous density and optimisation policies. This review evaluated previous methodologies, notably the Density Matrix and the subsequent design-led approach. It concluded that the Density Matrix provided a degree of clarity through quantifiable benchmarks but was constrained by overly broad spatial categories and an excessive focus on numerical outputs.
- 5.10 Conversely, the design-led approach introduced greater flexibility and encouraged site-specific responses; however, it lacked a clear strategic framework, resulting in uncertainty and variability in how optimisation was interpreted across different boroughs. As a result, a more nuanced approach has been developed which provides greater strategic steer while allowing for site-specific design responses to be carried out within it.
- 5.11 One challenge of applying the previous density matrix was the fact that the density ranges were stated in net units per hectare. As acknowledged by the RICS guidance on Land Measurement, 'There will only be a high degree of certainty about an NDA [net development area] at the stage where an application is submitted... the NDA can usually only be estimated, particularly on large greenfield or regeneration sites'<sup>9</sup>. This presented the process with a difficulty – to provide reliable adjustments to assumed developable areas. The previous SHLAA addressed this by expecting bespoke adjustments to be made to the measured (gross) densities which originated in the SHLAA system. In this new SHLAA, this is addressed by working from gross densities and applying site coverage parameters which have been derived from analysis of schemes so it can be made with reference to the general relationship between site size, connectivity, and building heights and coverage.

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<sup>9</sup> Land measurement for planning and development purposes, RICS 2021, page 18. Available at: [https://www.rics.org/content/dam/ricsglobal/documents/standards/Land%20measurement%20for%20planning%20and%20development\\_ready%20for%20approvals.pdf](https://www.rics.org/content/dam/ricsglobal/documents/standards/Land%20measurement%20for%20planning%20and%20development_ready%20for%20approvals.pdf)

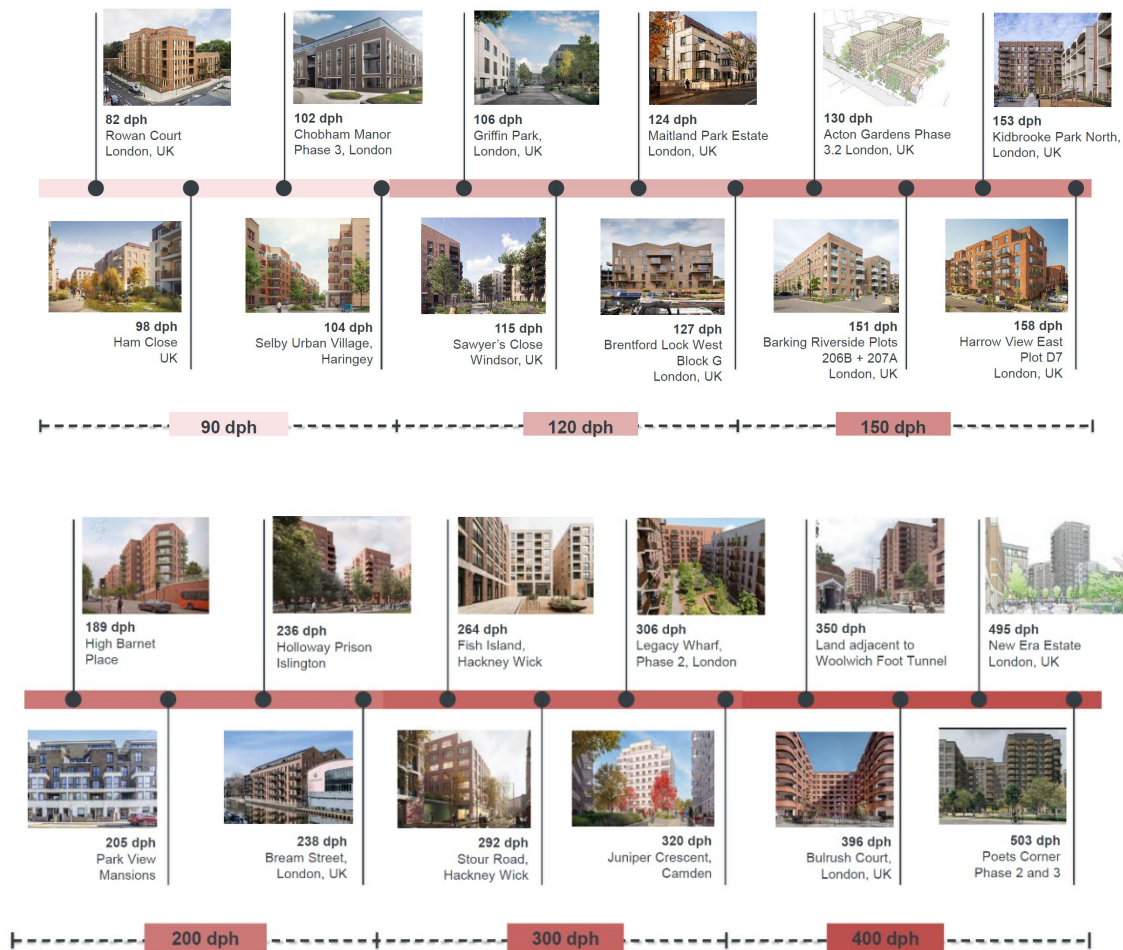


Figure 5-1 – Exemplar schemes and net residential densities

- 5.12 A problem inherent to working only with a density figure is that it is difficult to interrogate assumptions about the form of development (typology, height, massing). There will always be different combinations of building heights and plot coverage which could return an identical density.
- 5.13 In response, in the design of the OF, the London Plan Team have taken cues from the RICS guidance in terms of the chosen spatial metrics for measuring the intensity of development. Plot ratio<sup>10</sup> and site coverage, in combination with the average height of buildings provide a multidimensional understanding of what density means – and allow a flexible calculation, working from area, to built volumes, and back to dwellings and units by applying a set of rules about internal building areas and assumptions on unit size and mix.
- 5.14 The methodology underpinning the Framework is set out in the Optimisation Framework Topic Paper<sup>11</sup>. Its preparation involved 36 exemplar case studies, collating information on the relationship between building height, site coverage, floor area ratio and density. These exemplars reflected existing and proposed development that met the latest building regulations and planning policies, and they were subsequently grouped into 11 typologies based on average height, site coverage and parking provision.

<sup>10</sup> often referred to as Floor Area Ratio, or Floorspace Intensity.

<sup>11</sup> Link to Optimisation Framework Topic Paper where published etc.

- 5.15 A detailed London-wide spatial analysis was then undertaken to examine patterns of urban form and development across different contexts and levels of connectivity in order to inform the most appropriate optimised form of development within that area. This led to the creation of a set of spatial inputs whereby appropriate typologies were assigned to each combination of SAM band and context, integrating important considerations such as development viability, car parking provision and open space requirements.
- 5.16 Development scenarios were rigorously tested using three-dimensional modelling and the design inputs were used to derive a set of net residential density ranges which took account of unit mix, building height, and site coverage, with an allowance for flexibility to accommodate site-specific circumstances. The final output is an Optimisation Framework table which includes a height and density range for each combination of SAM band and context. When implementing this in the Land4LDN platform, the average building heights specified by the framework are used.

#### The London Context Map

- 5.17 The London Context Map categorises each built-up area of London into one of six overarching settings (locations with a predominantly similar character) which provides a high-level description and understanding of London's character. The mapping takes a typological approach to character based on the physical characteristics of an area; it does not differentiate by the age of buildings or between areas of the same setting which are more or less sensitive (such as the presence of heritage assets).
- 5.18 The map has been developed by specialist consultants Allies and Morrison and builds upon an earlier version which split London into different character types aligned with the London Historic Character Thesaurus<sup>12</sup>. The London Context Map has been developed to work alongside the Sustainable Access Measure (SAM) map<sup>13</sup> as a basis for the application of the Optimisation Framework in policy. The mapping will be updated periodically to reflect changes in London's character or any inaccuracies.
- 5.19 The six context settings (Settings A to F) in the Map are as follows.
- Setting A: Predominantly outer suburban area
  - Setting B: Predominantly inner urban terrace area
  - Setting C: District and local centres
  - Setting D: Predominantly flatted development
  - Setting E: Large town centres and Central core
  - Setting F: Low density land

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<sup>12</sup> London Historic Character Thesaurus, available at: [Historic England website](#)

<sup>13</sup> included in the London Plan as a reference image and will also be available via the London Planning Data map. This will allow the map to be viewed in greater detail and precision

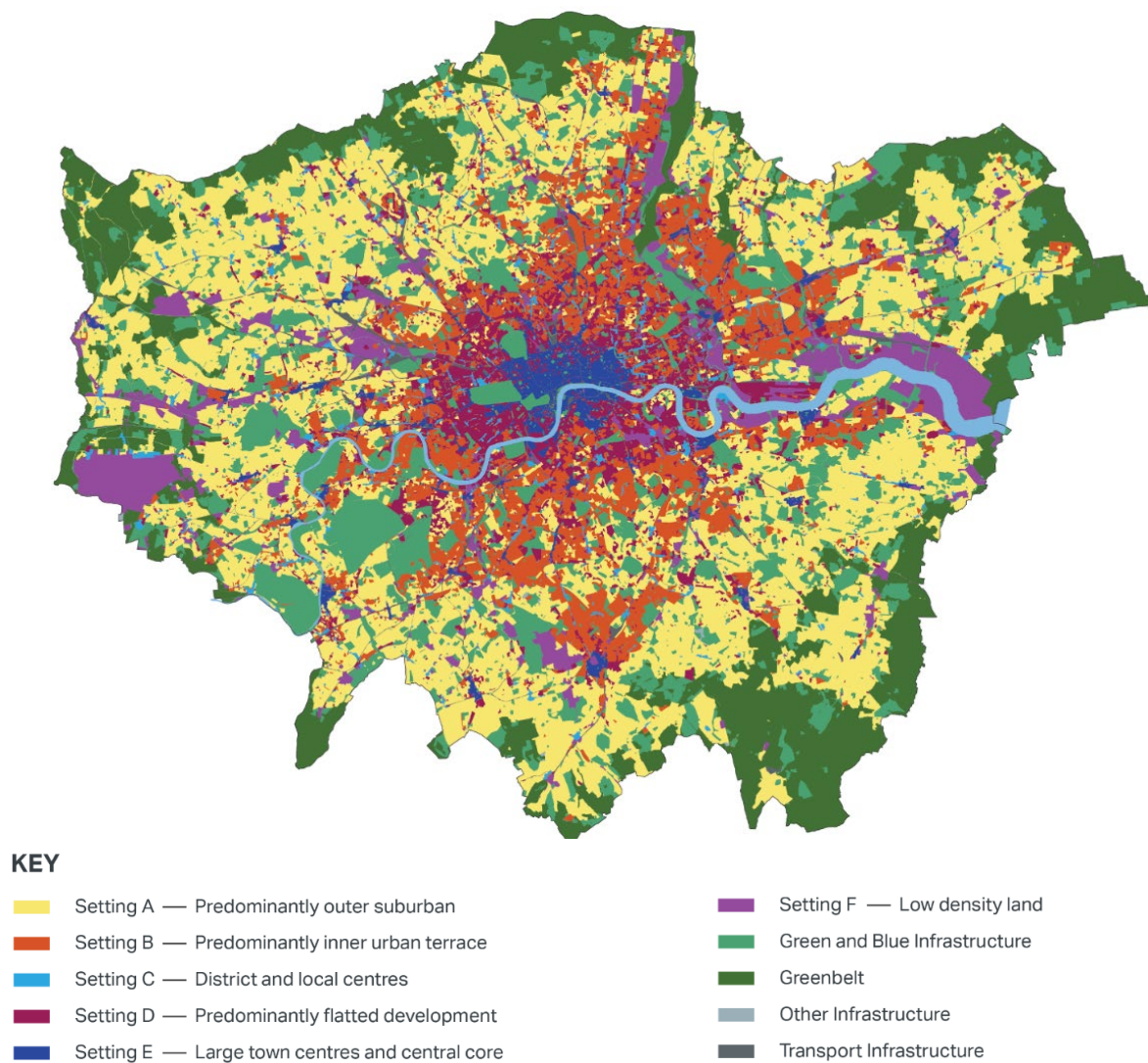


Figure 5-2: London Context Map

5.20 The map also identifies green and blue infrastructure, London's, greenbelt, and other infrastructure such as water treatment works and transport infrastructure.

#### The Sustainable Access Measure (SAM)

- 5.21 SAM is a new measure of connectivity produced by Transport for London (TfL). It combines whole journey times to various destinations by both public transport and walking (with cycling to be considered for future updates – see SAM methodology report for more detail). It is designed to represent the ability of a typical Londoner living in any given location to meet their regular travel needs by sustainable modes alone.
- 5.22 SAM complements the measure used in previous SHLAAs, Public Transport Access Levels (PTAL). While SAM uses end-to-end journey times, PTAL focuses on walk and wait times to public transport stops/stations only. This makes it more suited to a local comparison of connectivity rather than a London-wide one, which SAM is intended for.

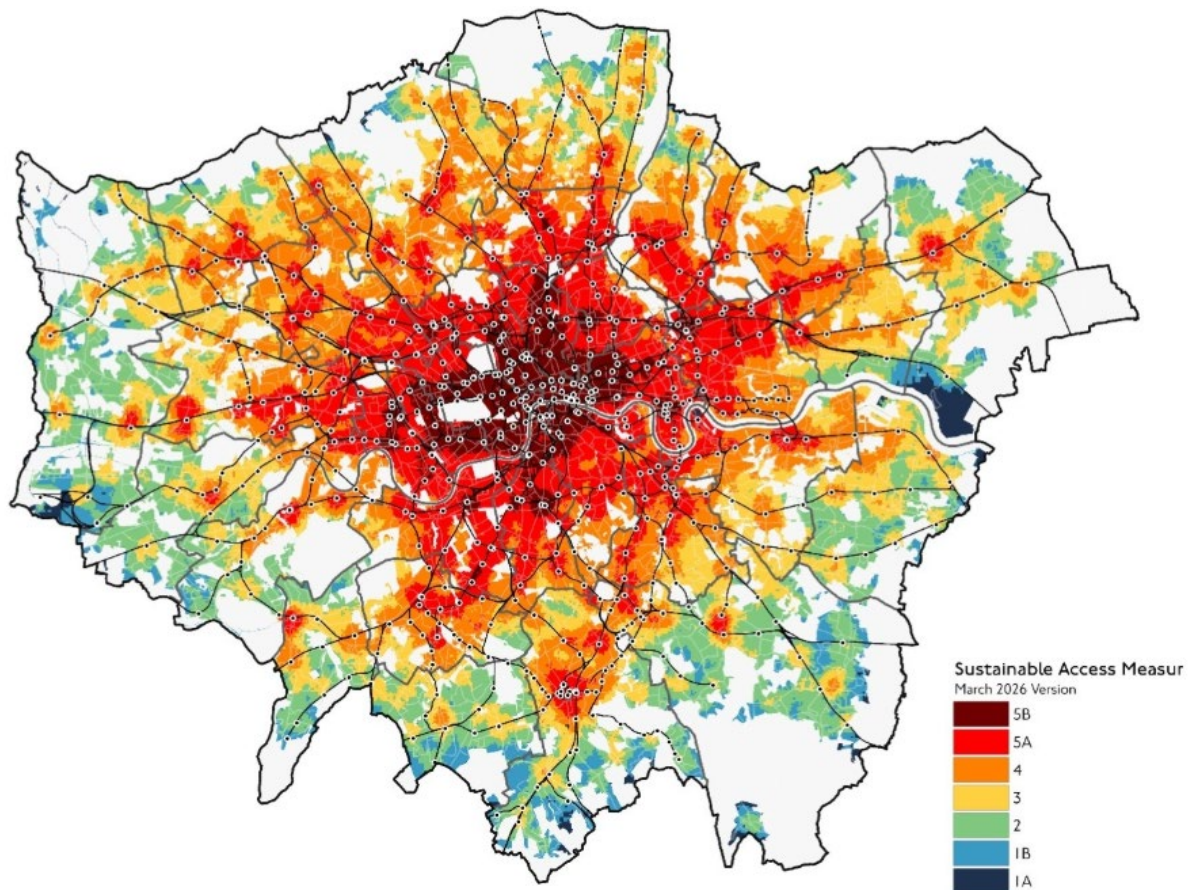


Figure 5-3 Sustainable Access Measure (SAM)

5.23 SAM is calculated for every 100m x 100m grid square within Greater London. The score is calculated using a weighted sum of three 'layers':

- 60 minutes by public transport to employment
- 30 minutes by public transport to various public services, shops, leisure facilities
- 10 minutes by walking to various public services, shops, leisure facilities

5.24 The weighting factor is established through analysis comparing the catchments to car ownership levels, once other factors such as income are controlled for. The raw score is turned into one of five levels, each representing 20 per cent of London's area i.e. a score of 5/5 means the location has one of the top 20 per cent scores.

### Refining the constraints model approach

- 5.25 The constraints model is a way of discounting the notional (unconstrained) capacity of a site (generated from applying the assumptions from the Optimisation Framework), to reflect the specific situation on a given site and how identified constraints are likely to impact on development. The output is the constrained capacity, which provides the basis of a more accurate estimate of the likely capacity of a given site were it to be developed.
- 5.26 This diverges from the 2017 SHLAA approach which integrated its discounting across three constraint categories (planning policy, environmental and delivery), through a ‘most constraining’ model. This involved a judgement about the probability of development and the effect that constraints might have on the amount of development in a single step. One improvement which the 2026 approach has made is to model the interaction and extent of constraints as they apply to potential development sites.
- 5.27 The aim of the modelling of constraints is to adjust the discount to a site’s notional capacity to reflect the actual operation of a constraint given its extent on the site. In this way when there is a relatively small interaction to be expected between a constraint and the extent and form of development, the scale of interaction will be more accurately represented.
- 5.28 The discounts apply multiplicatively for a fragment of a site which is defined by the overlap of the site polygon and all constraints.
- 5.29 The aim is to be able to reliably compare the output of this estimation (the constrained capacity), to the Design-led capacity which is provided by LPAs as the output of more detailed engagement with specific sites and their context.

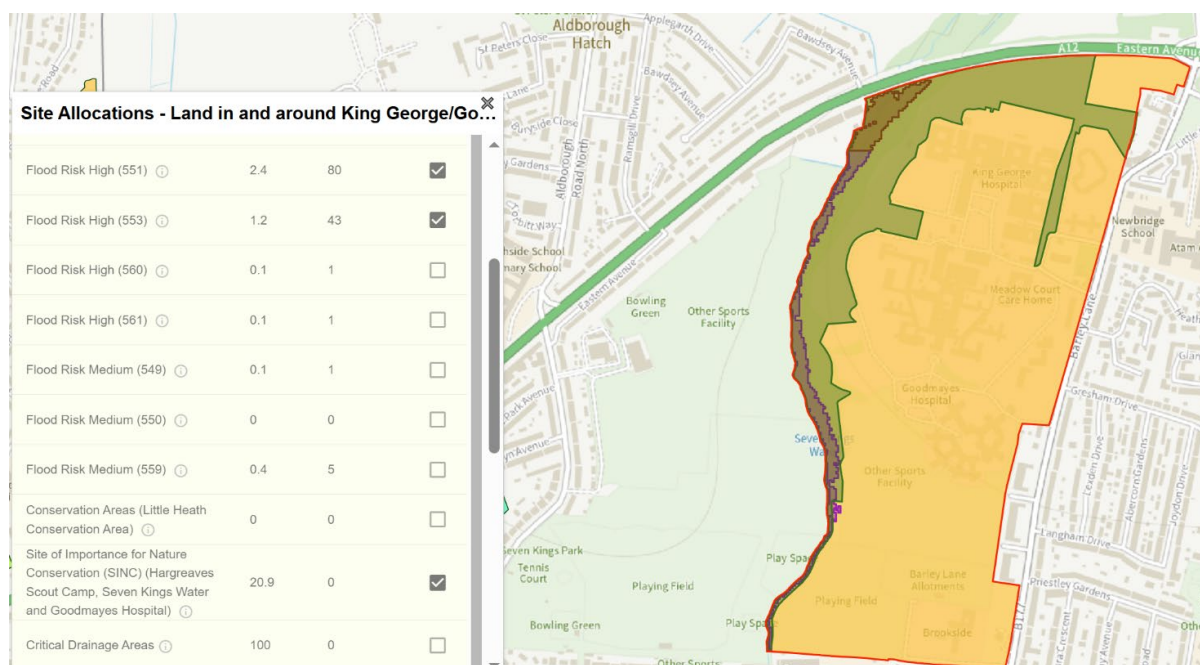


Figure 5-4: Interaction of constraints with sites in the Land4DN UI

5.30 In the baseline the following discounts to site capacity were applied:

Table 5-1: Constraint discounts applied in the baseline SHLAA results

| Constraint layer name                                      | Discount (%) |
|------------------------------------------------------------|--------------|
| Strategic Industrial Land                                  | 100%         |
| Locally Significant Industrial Sites                       | 100%         |
| Non-designated Industrial Land                             | 50%          |
| Permitted Waste sites                                      | 50%          |
| Green Belt                                                 | 100%         |
| Metropolitan Open Land                                     | 100%         |
| Other designated open space                                | 100%         |
| Special Areas of Conservation (SAC)                        | 100%         |
| Special Protection Areas (SPA)                             | 100%         |
| Sites of Importance for Nature Conservation (Metropolitan) | 100%         |
| Sites of Special Scientific Interest (SSSI)                | 100%         |
| Ancient Woodland                                           | 100%         |
| Conservation Area                                          | 10%          |
| Listed buildings                                           | 10%          |
| Scheduled Monuments                                        | 100%         |
| Registered Battlefields                                    | 100%         |
| Flood risk - High                                          | 100%         |
| Flood risk - Medium                                        | 50%          |
| HSE Consultation Zone – Inner                              | 100%         |
| Aircraft Noise - High                                      | 100%         |
| Aircraft Noise – Medium                                    | 10%          |

5.31 The majority of discounts were set at 100%, reflecting the position that the presence of these particular constraints generally prevents development from occurring on these areas, backed by legislation. However, a number of the constraint discounts have been set at 50% and 10% respectively. These reflect the expectation that development can still occur on these areas, but that there will be other requirements that will apply to development as a consequence, which will reduce the area available for residential uses.

5.32 Whilst initially set at 100%, consideration is given to the potential capacity which could be unlocked through taking a different approach to these constraints later in the report.

### Design-led Capacities and site reviews

- 5.33 The facility was provided for LPAs to provide their own design-led capacity (DLC) for any site in the system. These DLCs are expected to be based on design-led site appraisal work, undertaken following the approach set out in London Plan 2021 - Policy D3 and London Plan Guidance<sup>14</sup>.
- 5.34 LPAs were prompted to provide a justification and source for any DLCs proposed in the Land4LDN system, summarising the key requirements and site constraints which influence site capacity. These were expected to be linked to a published document, if available, or otherwise supported by further documentation regarding the evaluation of the range of factors which needed to be addressed.
- 5.35 These DLCs were analysed by GLA officers using the constrained capacity produced by the system, to review whether the specific site response incorporated departed to any significant extent from the expected form of development.
- 5.36 1-to-1 meetings were held with all LPAs to understand the rationale for any significant differences between the two figures. Further commentary was provided in writing where requested to support the LPA position in relation to the appropriateness of the OF height expectation and any other factor not captured by the approach defined in the Land4LDN system.
- 5.37 The GLA reviewed all responses, and in 57% of cases accepted the borough provided DLC. In 45% of these instances this reduced the site capacity, and in 55% of cases it increased capacity compared to the system estimate.
- 5.38 In addition, just over 2% of sites were identified not to pass the developable test or otherwise be duplicative of records in the system.

### Phasing model

- 5.39 This SHLAA method then moves onto to a site phasing stage which identifies the expected capacity in each financial year for the plan period.
- 5.40 The approach deployed avoids big jumps in capacity between phasing periods, and ensures that phasing assumptions for a single year can be more easily seen and considered. This seeks to avoid unrealistic assumptions being inadvertently part of the assumed capacity and modelled delivery.
- 5.41 It also enables phasing to be calibrated against input assumptions about the typical journey of a site from permission to completion. As such, changes to the expected timings of these (e.g. due to particular policy interventions) can be translated directly into a shifted phased capacity. It also aligns to the wider goal of Land4LDN of joining up the SHLAA process with ongoing maintenance of housing trajectories and general monitoring activities, by embedding processes which help to keep the delivery data up to date.
- 5.42 As with the approach to capacity, the Land4LDN system provides the facility for LPAs to assign their own phasing for each site, which sits alongside a 'system calculated', rules-based phasing of capacity.

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<sup>14</sup> <https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/london-plan-guidance/optimising-site-capacity-design-led-approach-lpg>

- 5.43 This system-calculated phasing gives a more realistic apportionment of capacity for those sites which have planning permission, based on the average duration which it takes for sites to reach key milestones in the development process, rather than relying on the sites being in-principle deliverable and phased with 5 years. .
- 5.44 Analysis of delivery of all schemes in London approved since 2005 provides the basis of the assumptions which are used in the phasing model. We segment our analysis and provide an assumption about the average delivery duration based upon the size of schemes, after estimating the capacity of a given site.
- 5.45 These average durations are applied to all schemes in each site size band, based on the stage which they have reached in the delivery process. Schemes with outline planning permission only, have a further 365 days added to the decision to commencement delay. Sites which have yet to commence, but which exceed the anticipated duration for the first stage have their expected delivery programme extended rather than modelling the completion dates from decision date only.

Table 5-2: Assumed average duration of delivery milestones to inform Land4LDN build-out

| Scheme size          | Days from decision to commencement | Days from commencement to first completion | Days from first to final completion | Total scheme buildout (days) |
|----------------------|------------------------------------|--------------------------------------------|-------------------------------------|------------------------------|
| <b>10-49 units</b>   | 314                                | 370                                        | 178                                 | 862                          |
| <b>50-149 units</b>  | 288                                | 536                                        | 232                                 | 1056                         |
| <b>150-499 units</b> | 308                                | 689                                        | 337                                 | 1335                         |
| <b>500+ units</b>    | 292                                | 720                                        | 481                                 | 1492                         |

- 5.46 The modelled completions are additionally constrained to an absorption rate which limits the number of units which can be phased as expected completions in a since year. This has been set at a benchmark of 200 units on a single site per annum. The assumption affects c.26% of large sites in the database.
- 5.47 Evidence from the Letwin review on large scale strategic sites where the build out rate is highest demonstrates a range of achieved annual completion rates ranging from around 100-200 homes per annum, to over 500 on some of the largest strategic sites in London<sup>15</sup>. The completion rate depends on a number of factors, most notably the proportion of affordable housing, and the depth of the market at a given price point and market conditions.
- 5.48 As such, LPAs were expected to review the phasing which the system rules generated and adjust to take account of their knowledge of scheme specific factors and where available actual delivery plans provided by developers.
- 5.49 As part of the GLA review of the data input provided by LPAs, particular focus was given to any in-year phased completions that exceeded 250 units. Additional confirmation was sought to support the high rate of completions in a given year. As highlighted in the evidence referenced it is not unexpected that there will be some sites with 'peaky'

<sup>15</sup> MHCLG, 2018 – AX26.

[https://assets.publishing.service.gov.uk/media/5b2d1b0640f0b67f7f306102/Build\\_Out\\_Review\\_Annexes.pdf](https://assets.publishing.service.gov.uk/media/5b2d1b0640f0b67f7f306102/Build_Out_Review_Annexes.pdf)

delivery which will exceed our delivery benchmark. This is particularly the case for certain typologies such as tall buildings with towers which will necessarily complete all at once.

- 5.50 The decision to final completion time in the standard assumptions used in our phasing model range from c.2.4-4.1 years. This will be longer where the absorption rate constraint applies and extends the completions period. This compares reasonably well to the findings of the CMA analysis considering the development timelines of the top 11 housebuilders, at an average of 3.3 years from implementable planning approval to end of construction<sup>16</sup>.

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<sup>16</sup> Competitions and Markets Authority - Study into housebuilding in England, Scotland and Wales, 2024. Appendix F – Estimating the Development timeline. Available at: [https://assets.publishing.service.gov.uk/media/65d8d4eb87005a001180f932/\\_Appendix\\_F\\_Estimating\\_the\\_development\\_timeline\\_.pdf](https://assets.publishing.service.gov.uk/media/65d8d4eb87005a001180f932/_Appendix_F_Estimating_the_development_timeline_.pdf)

## 6. Viability

### Background

- 6.1 The SHLAA is supported by a separate London Plan Viability Study, which has been undertaken by the GLA with support from Mace Consult.
- 6.2 A range of development typologies has been tested comprising representative development types and sizes across London. These typologies have been tested in six value bands across London, which have been defined through analysis of new build transactions and are intended to reflect spatial variation in residential values across London.
- 6.3 The study uses a residual land valuation approach to determine whether the typologies are viable when the policies of the draft London Plan are applied. This approach compares the residual land value generated by a development typology against an appropriate benchmark land value, allowing the study to identify where development is likely to be viable, marginal or unviable under the tested assumptions.

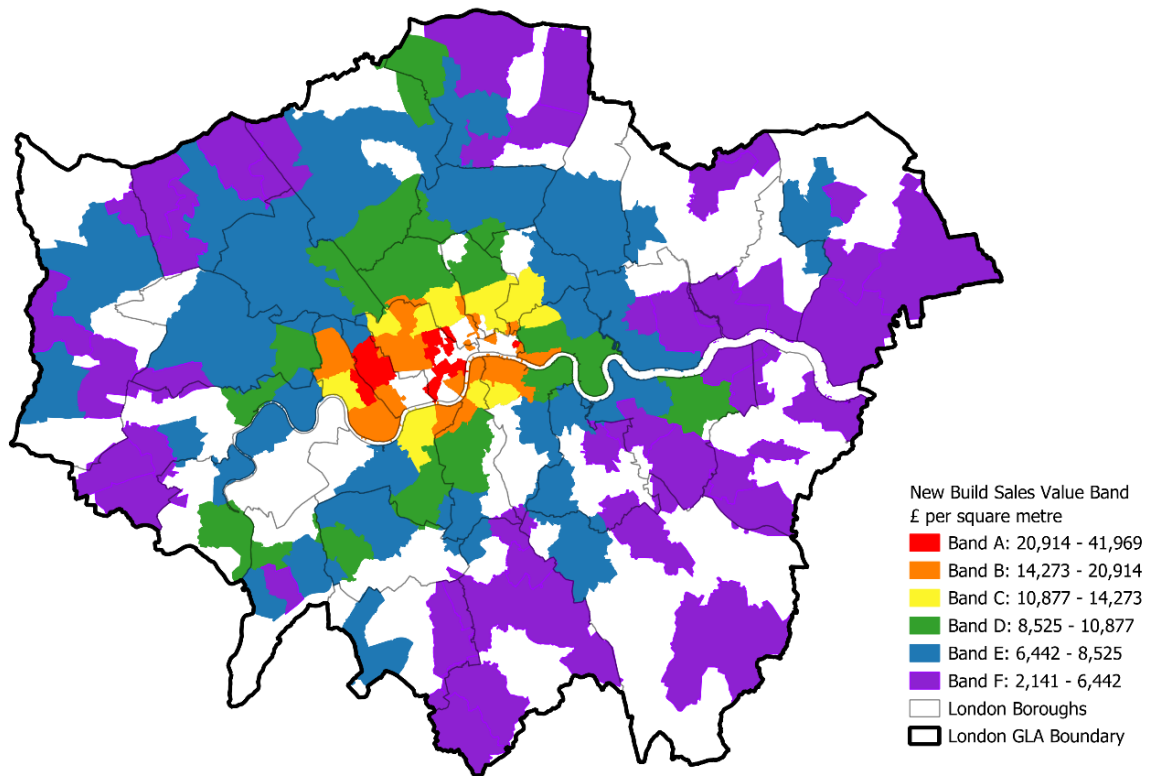


Figure 6-1: Value Bands used in the LPVS

- 6.4 The findings of the study are set out in detail in the Phase 1 report<sup>17</sup>, but in short they show that London is in a challenging viability context due to the coincidence of several factors. This has led to increased build costs, relatively stagnant house prices and

<sup>17</sup> London Plan Viability Study Phase 1 Report, available at: [LINK](#)

persistently higher interest rates. These are expected to particularly impact shorter term delivery in the next five years, even where appropriate land has been identified.

Reflecting viability results in the available land supply

- 6.5 As highlighted in previous sections, the 2026 SHLAA has made some adjustments to the methodology used in previous London-wide SHLAA exercises, particularly in respect of constraints discounts and the deployment of ‘probability-based housing capacity estimates’<sup>18</sup>.
- 6.6 The approach taken in this study has been to make the best estimate possible of the likely capacity that would be delivered on a particular site, were development to occur. No direct adjustments have been made to this capacity to reflect the overall probability of development.
- 6.7 However, the achievability of a given location for development is a key aspect of considering whether it can be assessed as developable. This requires consideration of whether there is a ‘reasonable prospect’ of the assumed development type occurring at a particular time<sup>19</sup>. This is often challenging for LPAs to ascertain at the early stage at which this site assessment is carried out in respect of the plan-making process.
- 6.8 Therefore, when undertaking the initial site assessment, GLA guidance to LPAs was not to exclude sites as unachievable, except in instances of recently completed development, with this assessment to be undertaken as an additional analysis to consider which types of development are expected to be viable in which locations<sup>20</sup>.
- 6.9 Through the work to estimate a build-out profile, and information sourced from developers and agents through LPAs and included as borough-provided phasing, the lead in time and specific aspects in relation to phasing and build-out of sites are incorporated into the analysis.
- 6.10 In previous studies, there has been no further wholesale adjustment made to identified capacity on the basis of the viability study to address the question of achievability. This is because it has generally been found that most development typologies can meet the policy requirements of the plan and are viable. Or, where schemes were unviable, that the flexibility in relation to affordable housing policy requirements through the viability-tested route would mean it would not have a significant impact on delivery.
- 6.11 However, given the current challenging context and the nature of the findings of the latest viability study, which demonstrate that for large areas of London development of various typologies may be unviable, we are unable to draw the same conclusions in 2026.
- 6.12 It should be noted that through the viability study, consideration has been given to overcoming viability constraints in order to improve confidence of deliverability. The Phase 1 Study reflects current market conditions, while the Phase 2 Study will provide an opportunity to review and update the assessment to reflect any improvement in economic and market conditions.

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<sup>18</sup> London Strategic Housing Land Availability Assessment 2017

<sup>19</sup> Planning Practice Guidance – Housing and economic land availability. Paragraph: 020 Reference ID: 3-020-20190722. Available at: <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

<sup>20</sup> GLA, 2024. LAND4LDN Guidance – Processing Call for Sites 2024.

- 6.13 The analysis indicates that while affordable housing is generally one of the largest individual policy costs, reductions (particularly to very low levels) are not a panacea. This is because inclusion of affordable housing in a scheme can support delivery by enabling access to grant funding, low-cost public finance, Registered Provider involvement and other forms of strategic intervention. Affordable housing can also support scheme cashflow through early sales of the affordable units, helping to reduce market absorption risk and improve build out rates.
- 6.14 The viability study also considered the impact of a range of other policy and development costs<sup>21</sup>. While these requirements can affect the viability of individual schemes, particularly where viability is already marginal, the evidence indicates that they do not generally change the overall spatial pattern of viability identified through the study. As the Draft London Plan develops, further testing of policy and development costs will be undertaken as part of Phase 2 of the Viability Study.
- 6.15 The principal viability challenge remains the relationship between development values, construction costs, finance costs and sales absorption rates, particularly for taller development in lower value areas. As such, reducing individual policy requirements would have only a limited effect in many cases and would not fundamentally alter the current viability position across Value Bands E and F.
- 6.16 The study therefore points to the need for a more strategic approach to improving viability and delivery, rather than relying on policy cost reductions alone. This includes using affordable housing as a gateway for public subsidy and institutional investment, supporting alternate delivery models, considering the role of grant funding and low cost loans, and enabling public sector led interventions on strategic sites. These measures are particularly relevant where the viability evidence shows that development is marginal or unviable under current market conditions.

Table 6-1: Viability study results applied to the Optimisation Framework

| Typology    | Height range | Dwellings per hectare (net) | A      | B      | C      | D        | E        | F        |
|-------------|--------------|-----------------------------|--------|--------|--------|----------|----------|----------|
| Typology 1  | 3-4 storeys  | 80-160                      | viable | viable | viable | viable   | marginal | unviable |
| Typology 2  | 3-4 storeys  | 90-170                      | viable | viable | viable | marginal | unviable | unviable |
| Typology 3  | 3-5 storeys  | 110-200                     | viable | viable | viable | marginal | unviable | unviable |
| Typology 4  | 3-6 storeys  | 140-250                     | viable | viable | viable | marginal | unviable | unviable |
| Typology 5  | 3-7 storeys  | 180-310                     | viable | viable | viable | marginal | unviable | unviable |
| Typology 6  | 4-7 storeys  | 210-350                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 7  | 4-8 storeys  | 210-380                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 8  | 5-9 storeys  | 220-390                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 9  | 5-10 storeys | 230-450                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 10 | 5-11 storeys | 240-470                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 11 | 5-12 storeys | 260-520                     | viable | viable | viable | unviable | unviable | unviable |

### Sensitivity analysis

- 6.17 These results are derived from application of current costs and values to the modelling of the viability for each typology. However, as the SHLAA covers an extended period, consideration has been made as to whether the build cost and sales value assumptions or other factors used in the viability study might justifiably change over time.

<sup>21</sup> London Plan Viability Study, 2026. Page 43-52.

- 6.18 The sensitivity analysis, which forms part of the results for each typology, tests a matrix of scenarios in relation to relative change in value growth and cost increases. The value band results should primarily be understood as a mean of representing six different market levels, rather than as fixed or prescriptive geographic boundaries. While their spatial distribution provides a useful indication of where broad market conditions are located across London there will inevitably be variation with each and at a more localised level.
- 6.19 Individual sites or developments within lower value areas may achieve values materially above the wider area average. The results should therefore be interpreted as illustrating the relative performance of development across different market conditions, rather than as determining where development can or cannot occur.
- 6.20 This testing does not seek to predict a precise future market position. Instead it provides an indication of whether currently marginal or unviable typologies could have a reasonable prospect of becoming viable under improved economic conditions. The results show that, while some typologies remain unviable even under improved value/cost assumptions, others move from being marginal or viable where values improve relative to costs. This is most relevant in Value Bands D, E and F, where the baseline position is more challenging but where the sensitivity analysis helps identify the point at which development may have a more reasonable prospect of delivery.
- 6.21 Having regard for these results and the extent to which they align to economic forecasts, the SHLAA adopts the following updated viability results as the most reasonable approach to discounting over the 10-year time horizon of 2027/28–2036/37 over which the London Plan will set a housing requirement for LPAs.

Table 6-2: Viability study results applied to Optimisation Framework for Y6-10 of housing target period

| Typology    | Height range | Dwellings per hectare (net) | A      | B      | C      | D        | E        | F        |
|-------------|--------------|-----------------------------|--------|--------|--------|----------|----------|----------|
| Typology 1  | 3-4 storeys  | 80-160                      | viable | viable | viable | viable   | viable   | unviable |
| Typology 2  | 3-4 storeys  | 90-170                      | viable | viable | viable | viable   | marginal | unviable |
| Typology 3  | 3-5 storeys  | 110-200                     | viable | viable | viable | viable   | marginal | unviable |
| Typology 4  | 3-6 storeys  | 140-250                     | viable | viable | viable | viable   | marginal | unviable |
| Typology 5  | 3-7 storeys  | 180-310                     | viable | viable | viable | viable   | marginal | unviable |
| Typology 6  | 4-7 storeys  | 210-350                     | viable | viable | viable | marginal | marginal | unviable |
| Typology 7  | 4-8 storeys  | 210-380                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 8  | 5-9 storeys  | 220-390                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 9  | 5-10 storeys | 230-450                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 10 | 5-11 storeys | 240-470                     | viable | viable | viable | unviable | unviable | unviable |
| Typology 11 | 5-12 storeys | 260-520                     | viable | viable | viable | unviable | unviable | unviable |

- 6.22 These adjusted results provide a view of the viability position after taking into account a combination of improved economic factors, including changes to finance costs and market absorption, together with potential uplifts in residential values that may be achieved through successful place making and transport infrastructure investment. The adjusted results therefore assist in identifying where capacity that is currently marginal or unviable may have a reasonable prospect of delivery over the plan period.
- 6.23 In light of the results (that in many cases development in value bands D, E, and F is potentially marginal or unviable), the 2026 SHLAA proposes a further discounting step after considering constraints and phasing, to reflect this context. These discounts are applied to the identified supply based on the application of the viability study to the

forms of development which are anticipated through the Optimisation Framework approach detailed in Section 5.

- 6.24 Where testing indicates that a typology is expected to be viable, no further discount is applied. In the cases where the result is 'marginal', a 50% discount is applied, reflecting the uncertainty of delivery. Where the result of the viability study testing is 'unviable', a 90% discount is applied to the identified capacity when considering the viability study adjusted housing land supply for the period 2027/28 to 2036/37.
- 6.25 A 90% discount rather than a 100% discount is applied because historic trends have demonstrated continued delivery of forms of development which were assessed as unviable by studies reliant on generic types for their findings. However, this logic is not considered to undermine the general result which clearly indicates that development in lower value areas should not be relied upon as developable at the present time.
- 6.26 The SHLAA informs the housing targets which are set for LPAs through the new London Plan, and as such the developable capacity which is identified through this analysis will be a factor in decision-making insofar as it determines whether LPAs are able to demonstrate a five year land supply of deliverable housing sites. While the aim is to seek to meet the housing need as far as possible, it is important that when setting requirements at the strategic scale the London Plan is not unduly optimistic as this would set LPAs up to fail.
- 6.27 By reducing the contribution to the assessed developable capacity on the basis of the anticipated (broad) viability performance at the point in time that development is envisaged to be taking place, the SHLAA seeks to find a credible path to delivery which can be realised and implemented by LPAs and deliver well-co-ordinated, plan-led growth which achieves the plan's objectives.
- 6.28 During the plan period it is anticipated that conditions may change, and this will be monitored and the results of this analysis kept under review.

#### Treatment of permissions in light of viability results

- 6.29 Consideration was also given to applying these discounts to the components of supply which are based on planning permissions, as well as wider brownfield capacity identified.
- 6.30 However, it was decided not to do so as there is no clear evidence that these permissioned schemes are not generally going to be delivered. In taking this position the GLA has had regard for the NPPF definition of 'deliverable', where all sites with detailed planning permission are to be considered deliverable until the permission expires in the absence of clear evidence to the contrary, and has determined that it is appropriate to apply the same principles to 10 year delivery as the NPPF applies to determining a 5 year land supply position.
- 6.31 The data provided by LPAs and collated as part of the maintenance of borough housing trajectories and shared through the Land4LDN platform is relied upon as the best available understanding of the prospect of delivery timeframes. This includes longer term phasing for many schemes taking a share of future completions outside the 10-year timeframe under consideration for the London Plan housing targets

## 7. Findings on housing capacity from large sites

### Identifying large sites

- 7.1 Approximately 7,000 large sites were assessed through the Land4LDN platform.
- 7.2 Large sites (0.25 hectares or greater) were sourced from:
- Planning London Datahub (PLD) – large sites with planning approval for housing from the PLD.
  - Site allocations – sites that are identified in adopted development plans as sites with housing capacity.
  - Emerging site allocations – sites that are identified in emerging development plans published for consultation or examination as sites with housing capacity.
  - Call for Sites – sites proposed by response to the 2024 Call for Sites.
  - Other borough dataset – additional sites added by local planning authorities during the assessment period.
  - 2017 SHLAA sites – those sites assessed during the previous 2017 SHLAA study.
- 7.3 This approach is in line with Planning Practice Guidance (PPG) which recommends that plan-makers proactively identify as wide a range of sites as possible and include sites which have particular policy constraints<sup>22</sup>.
- 7.4 Sites still undeveloped and not covered by a permission in the 2017 SHLAA were also re-examined afresh to ensure that all potential sites were appraised using the same methodology.

Table 7-1 – Count of sites processed in the Land4LDN system

| Source                    | Count of sites |
|---------------------------|----------------|
| Planning London Datahub   | 1258           |
| Site Allocations          | 1513           |
| Emerging Site Allocations | 1087           |
| Public Call for Sites     | 782            |
| 2017 SHLAA                | 1696           |
| Other Borough Dataset     | 660            |
| <b>Total</b>              | <b>6996</b>    |

<sup>22</sup> Planning Practice Guidance – Housing and economic land availability. Paragraph: 010 Reference ID: 3-010-20190722. Available at: <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

### Processing large sites

- 7.5 The sites submitted through the Call for Sites and collated by the GLA and LPAs in the Land4LDN platform were reviewed by LPAs, considering whether they could be considered developable across the period to 2050.

Table 7-2 - Count of sites by status (included or excluded) through the Land4LDN platform

| Source                    | Included    | Excluded    | Grand Total |
|---------------------------|-------------|-------------|-------------|
| Planning London Datahub   | 1131        | 127         | 1258        |
| Site Allocations          | 619         | 894         | 1513        |
| Emerging Site Allocations | 780         | 307         | 1087        |
| Public Call for Sites     | 147         | 635         | 782         |
| 2017 SHLAA                | 222         | 1474        | 1696        |
| Other Borough Dataset     | 187         | 473         | 660         |
| <b>Total</b>              | <b>3086</b> | <b>3910</b> | <b>6996</b> |

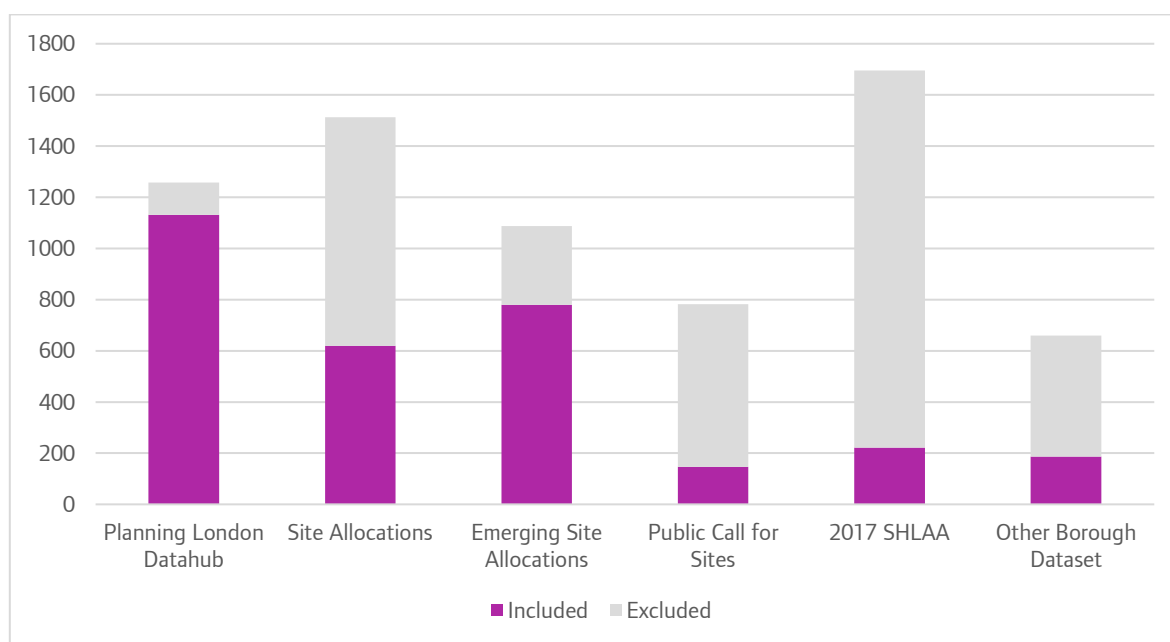


Figure 7-1 – Count of sites included or excluded on review

- 7.6 This resulted in a reduction of c.56% in the number of sites which were taken forward for detailed review<sup>23</sup>. There were a range of reasons provided for excluding sites linked to the three criteria of suitability, availability and achievability as illustrated in Figure 7-2-3. In addition, sites were excluded to avoid duplication if a site was fully reflected in another layer (e.g. where site allocations have become permissions), or if the remaining development site areas was less than 0.25 hectares (meaning it would be in the small sites

<sup>23</sup> Sites which were initially sifted out by LPAs and later reintroduced by GLA on review are excluded from the total.

pool). PLD sites were only excluded where LPA information indicated that schemes are not going to be implemented but are not superseded by other records in the PLD.

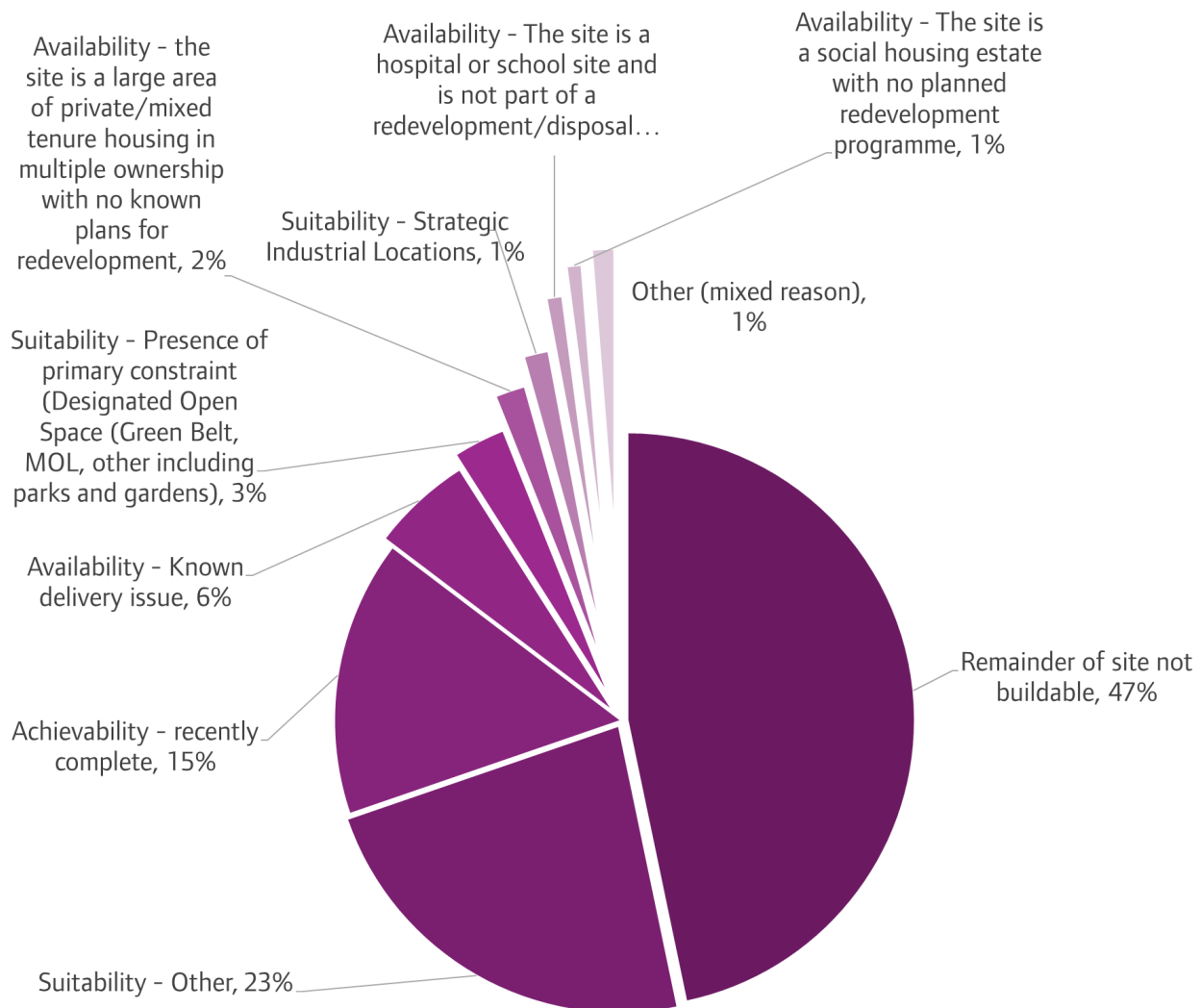


Figure 7-2 Reasons provided for site exclusion (broad groups)

- 7.7 Sites excluded as either recently completed or reflected in another source of supply made up the largest category, with over 60% of total excluded sites.
- 7.8 This left just over 3,000 valid large sites meeting the definition. Taken together, adopted and emerging site allocations made up the largest proportion of these at c.1,400 sites, followed by sites with planning approval recorded in the PLD, at over 1,130 sites.
- 7.9 Within the sites which remain in the SHLAA database, a number of sites have a capacity which is reduced to 0, reflecting the impact of other sites in the database (for instance a permission which implements the capacity identified on a site allocation), or of constraints which apply the discounts listed in Table 5-1.

Table 7-3: Effect of constraints and other sites on capacity

| Source                    | Non-zero capacity | Sites set to 0 capacity | Total site count |
|---------------------------|-------------------|-------------------------|------------------|
| Planning London Datahub   | 961               | 170                     | 1131             |
| Site Allocations          | 552               | 67                      | 619              |
| Emerging Site Allocations | 575               | 205                     | 780              |
| Public Call for Sites     | 95                | 52                      | 147              |
| 2017 SHLAA                | 124               | 98                      | 222              |
| Other Borough Dataset     | 103               | 84                      | 187              |
| <b>Total</b>              | <b>2410</b>       | <b>676</b>              | <b>3086</b>      |

7.10 This provided a remaining set of sites totalling 2,410. LPAs were given the opportunity to provide a design-led capacity for any site which had supporting evidence available.

7.11 The coverage of design-led capacities varied by source, with the greatest coverage (aside from permissions, which are intrinsically design-led) being emerging site allocations, at 91%.

Table 7-4: Proportion of sites with a Design-led Capacity by source

| Source                    | Sites with a Design-led Capacity | All sites with capacity | Percentage |
|---------------------------|----------------------------------|-------------------------|------------|
| Planning London Datahub   | 961                              | 961                     | 100%       |
| Site Allocations          | 441                              | 552                     | 80%        |
| Emerging Site Allocations | 521                              | 575                     | 91%        |
| Public Call for Sites     | 39                               | 95                      | 41%        |
| 2017 SHLAA                | 30                               | 124                     | 24%        |
| Other Borough Dataset     | 49                               | 103                     | 48%        |
| <b>Total</b>              | <b>2041</b>                      | <b>2410</b>             | <b>85%</b> |

7.12 The majority of sites were provided with bespoke phasing based on the best available information from LPA interactions with developers and understanding of lead-in times in the short and long term.

Table 7-5: Count of sites with LPA provided phasing programme

| Source                    | LPA provided phasing | No bespoke phasing | Grand Total |
|---------------------------|----------------------|--------------------|-------------|
| Planning London Datahub   | 640                  | 321                | 961         |
| Site Allocations          | 523                  | 29                 | 552         |
| Emerging Site Allocations | 498                  | 77                 | 575         |
| Public Call for Sites     | 88                   | 7                  | 95          |
| 2017 SHLAA                | 72                   | 52                 | 124         |
| Other Borough Dataset     | 85                   | 18                 | 103         |
| <b>Total</b>              | <b>1906</b>          | <b>504</b>         | <b>2410</b> |

7.13 As discussed in chapter 6, the viability study results are used to apply discounts to the identified capacity, on the basis of the result per value band. These are reported below:

Table 7-6: Count of sites per value band

| Viability Study - Value Band | Total site count |
|------------------------------|------------------|
| A                            | 27               |
| B                            | 172              |
| C                            | 136              |
| D                            | 362              |
| E                            | 926              |
| F                            | 787              |
| <b>Total</b>                 | <b>2410</b>      |

7.14 The sites which contribute towards to overall capacity are located across London in a range of connectivity scores.

7.15 The majority of sites are located in SAM band 4+, at over 75% of sites, with the greatest number falling within SAM band 5A.

Table 7-7: Distribution of sites across SAM bands

| SAM band     | Total site count |
|--------------|------------------|
| 1A           | 21               |
| 1B           | 34               |
| 2            | 176              |
| 3            | 357              |
| 4            | 553              |
| 5A           | 924              |
| 5B           | 345              |
| <b>Total</b> | <b>2410</b>      |

### Housing capacity findings

7.16 The following table provides the total capacity which results from the approach to optimisation and the adjusted (developable) capacity across all large site components of supply.

Table 7-8: Total large sites housing capacity for 2027/28-36/37 (net units)

| Source                    | Total capacity unadjusted (net) | Adjusted for viability (net) |
|---------------------------|---------------------------------|------------------------------|
| Planning London Datahub   | 245635                          | 245635                       |
| Site Allocations          | 115627                          | 29978                        |
| Emerging Site Allocations | 133716                          | 29493                        |
| Public Call for Sites     | 10701                           | 2557                         |
| 2017 SHLAA                | 14493                           | 2904                         |
| Other Borough Dataset     | 17474                           | 9788                         |
| <b>Total</b>              | <b>537647</b>                   | <b>320356</b>                |

7.17 Considering the distribution of this capacity across areas of London, the vast majority is in areas with high levels of connectivity (85% with SAM score of 4+), and the largest individual capacity coming from locations in SAM band 5A.

Table 7-9: Distribution of large sites capacity across SAM bands (after viability adjustment, net units)

| SAM Band     | Viability adjusted capacity (net) |
|--------------|-----------------------------------|
| 1A           | 61                                |
| 1B           | 674                               |
| 2            | 7289                              |
| 3            | 39810                             |
| 4            | 75575                             |
| 5A           | 142043                            |
| 5B           | 54905                             |
| <b>Total</b> | <b>320356</b>                     |

7.18 The following table provides an LPA-level breakdown of the capacity which is assessed to be developable across the period 2027/28-36/37.

Table 7-10: Total developable large sites capacity (2027/28-36/37) by LPA

| LPA                    | Total large site capacity 2027/28-36/37<br>adjusted for viability (net) |
|------------------------|-------------------------------------------------------------------------|
| Barking and Dagenham   | 6450                                                                    |
| Barnet                 | 15763                                                                   |
| Bexley                 | 2862                                                                    |
| Brent                  | 18632                                                                   |
| Bromley                | 1000                                                                    |
| Camden                 | 8154                                                                    |
| City of London         | 1115                                                                    |
| Croydon                | 6874                                                                    |
| Ealing                 | 15302                                                                   |
| Enfield                | 8886                                                                    |
| Greenwich              | 26078                                                                   |
| Hackney                | 5040                                                                    |
| Hammersmith and Fulham | 14680                                                                   |
| Haringey               | 7956                                                                    |
| Harrow                 | 3298                                                                    |
| Havering               | 4525                                                                    |
| Hillingdon             | 3688                                                                    |
| Hounslow               | 12539                                                                   |
| Islington              | 2575                                                                    |
| Kensington and Chelsea | 3609                                                                    |
| Kingston upon Thames   | 3415                                                                    |
| Lambeth                | 9845                                                                    |
| Lewisham               | 8606                                                                    |
| Merton                 | 4071                                                                    |
| Newham                 | 22743                                                                   |
| Redbridge              | 5855                                                                    |
| Richmond upon Thames   | 2297                                                                    |
| Southwark              | 25190                                                                   |
| Sutton                 | 2123                                                                    |
| Tower Hamlets          | 20817                                                                   |
| Waltham Forest         | 12045                                                                   |
| Wandsworth             | 15124                                                                   |
| Westminster            | 8873                                                                    |
| OPDC                   | 10325                                                                   |
| <b>Total</b>           | <b>320356</b>                                                           |

## 8. Approach to estimating housing capacity on small sites

### Background

- 8.1 This chapter summarises the methodology and approach used to estimate projected housing capacity on small sites which are defined in the study as sites with an area below 0.25 hectares in size. This is in effect a type of windfall allowance, as it does not directly track specific sites.
- 8.2 The NPPF highlights that:
- Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends<sup>24</sup>.*
- 8.3 The approach which has been developed for this SHLAA has taken care to consider what ‘compelling evidence’ should properly mean in the context of seeking to set a new policy direction to increase and diversify the delivery of new homes on small sites.
- 8.4 As such, the approach seeks to advance a more nuanced understanding of the different types of small site delivery and consider the mechanisms through which increases in delivery can be secured such that confidence can be had in the reliability of this source of supply.
- 8.5 The different types of small delivery which are assessed through this approach are:
- Single-unit infill
  - Multi-unit infill
  - Demolition and rebuild (intensification)
  - Changes of use
  - Conversions
  - Industrial redevelopment
- 8.6 Each of these have been considered separately in respect of the suitability of the type of development which it represents in different locations, as well as their viability performance.
- 8.7 The approach taken to each component is bespoke and responsive to the best available evidence. The single-unit infill, multi-unit infill, and intensification types have been sourced directly from work undertaken by RCKa to identify and categorise different types of small site across London<sup>25</sup>. These are based on groupings of more detailed site types which are given treatments in the design code and are based on observably successful small site developments across the UK, which embody proven approaches to optimising land use while maintaining housing quality.

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<sup>24</sup> NPPF, paragraph 75.

<sup>25</sup> London Small Sites Design Code

- 8.8 Capacity assumptions are embedded within the type definitions, making yield estimation intrinsic to the classification.
- 8.9 This provides a total notional capacity across all identified small sites in London, which could be potentially developed over time. In order to properly reflect the availability and achievability of these sites, the GLA has undertaken further analysis of the rates of delivery for each site type. From this analysis, a target delivery rate has been set for each LPA by development type and SAM band. This was derived from professional judgement having regard to the best actually achieved 3-year rolling average across the 15 years from FY2010/11-2024/25, and the averages across the whole period.
- 8.10 The contribution from redevelopment of small industrial sites, changes of use, and residential conversions are assessed through a more simplistic trend-based approach, having regard for changes in the rates of delivery over time and responses to policy initiatives and economic conditions. The amount assumed from these sources is not proposed to be uplifted due to the balance which needs to be struck between housing delivery and the need for the alternative existing uses of these sites.
- 8.11 The rest of this chapter provides the detail of the modelling approaches outlined above and explains the sources and justification for assumptions which have been made.

#### London Small Sites Design Code – delivering an uplift on small sites

- 8.12 The approach has been developed in parallel with the London Small Sites Design Code, which identifies site types common across London suitable for residential intensification to provide clarity on acceptable design responses.
- 8.13 By establishing consistent development parameters across London, the Code seeks to ensure that the collective potential of these sites is realised through coordinated, high-quality development rather than ad-hoc, piecemeal delivery.
- 8.14 The site types identified in the code each present distinct opportunities for housing delivery and specific sensitivities that development proposals will need to address.
- 8.15 These are generalised into the three broad categories of single-unit infill, multi-unit infill, and demolition and rebuild (intensification) for the purposes of this analysis. However, in the Code each of these is described in a more fine-grained way, and the assumed capacity is derived from applying context-specific parameters. These describe consistent spatial conditions observable across all London boroughs.
- 8.16 When seeking to apply the Code to estimate anticipated supply, capacity therefore varies by setting – influencing the assumed form and ultimate yield; and SAM band, which is used in this analysis as a consistent basis for varying the assumed realistic delivery rate.

#### Identifying sites

- 8.17 RCKa provided the GLA with a summarised dataset of sites and capacity at the level of each LPA and SAM band. This was classified by detailed site type. The classification was achieved by application of their proprietary neural network machine learning model – trained to label sites through the features of their respective freehold polygons<sup>26</sup>.

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<sup>26</sup> <https://rcka.co.uk/our-projects/proptech/>

- 8.18 These detailed types have been generalised to the broad categories below, in order to link the detailed types to achieved delivery rates in the next stage in the analysis. The definitions for these are:
- Single-Unit Infill: empty or vacant sites with identified capacity for a single dwelling
  - Multi-Unit Infill: empty or vacant sites with identified capacity for multiple dwellings
  - Intensification: existing residential units<sup>27</sup> with the potential to be demolished and replaced by multi-unit developments.
- 8.19 For all site types, sites were required to satisfy two separate spatial restrictions in order to be considered valid for inclusion within the identified capacity:
- The site must not sit within Flood Zone 3
  - The site must not sit within a Designated Open Space
- 8.20 For intensification site types, two additional stipulations were required for the site to be counted as part of the valid capacity:
- The site must not be within a conservation area
  - The age of existing buildings on the site must not pre-date 1919
- 8.21 Applying these additional filters ensured that historic or protected sites, which would likely be unviable, costly and difficult to deliver, were not included in the analysis.
- 8.22 For both infill types, these additional restrictions were not applied.
- 8.23 With regards to the unit capacity for each site, differing approaches were taken for the infill and intensification types. For single unit infill, the unit capacity is always, by definition, set to one. For multi-unit infill sites, RCKa used a predefined lookup table to provide a site-by-site unit capacity, based on the detailed types. This was drawn from analysis of completed exemplar small site developments<sup>28</sup>.
- 8.24 The intensification types have been estimated through application of indicative unit per hectare densities for small site developments. These vary by setting, ranging from the lower end at 80 units per hectare in Setting A – Predominantly outer suburban, through to 155 units per hectare for Setting B-D, and up to 269 units per hectare for Setting E – Large town centres and central core. These were derived from a range of exemplar case studies of intensification.
- 8.25 This returned the following total capacity across the broad categories of site type:

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<sup>27</sup> Within the work carried out here, existing residential units (as they relate to intensification sites) were limited to detached or semi-detached houses only. This was to reflect the increasing difficulties associated with developing sites with multiple existing units.

<sup>28</sup> Available at: <https://smallsites.london/>

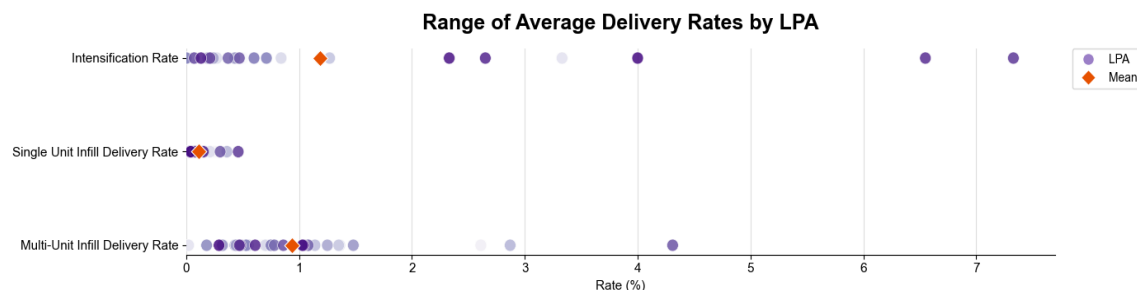
Table 8-1: Total identified capacity across modelled small sites by broad type

| Broad type                         | Total identified capacity (long term) |
|------------------------------------|---------------------------------------|
| Single-unit infill                 | 275,521                               |
| Multi-unit infill                  | 174,250                               |
| Demolish-rebuild (Intensification) | 163,542                               |
| <b>Total</b>                       | <b>613,313</b>                        |

#### Establishing a realistic delivery rate

- 8.26 Having established the notional capacity, the rate of delivery which is considered to be realistic has to be applied to find the actual expected contribution to housing capacity.
- 8.27 The approach taken to discounting for realistic delivery rates has been developed to ensure that full consideration is given to the actually achieved delivery rates, and the anticipated effect of the policies in the draft London Plan.
- 8.28 The first stage in developing the approach was to consider the historic rates of delivery. These were calculated from the count of delivered sites across the past 15 years, compared to the total stock of opportunities from the RCKa dataset<sup>29</sup>.
- 8.29 There is demonstrably wide variation between LPAs and in different areas according to their specific locational attributes.

Figure 8-1 Dot plot of the average delivery rates for intensification, single unit and multi-unit infill site types, broken down by LPA



<sup>29</sup> For further details see Annex 2.

- 8.30 Looking across all LPAs, it is possible to observe a general pattern of increasing rates of delivery for locations which have a greater level of connectivity as measured by the SAM score. However, this data also includes the variation introduced by the different approaches of LPAs which have either supported / constrained delivery of small sites in some otherwise comparable locations. SAM was chosen to structure the analysis in order to have a consistent measure with which to distinguish between locations within LPAs.
- 8.31 The next stage in the analysis was to consider the extent to which rates of delivery could reasonably be increased. Taking each broad type in turn, graphical projections of the historic delivery rates by SAM band and LPA were prepared. Figure 8-3 illustrates an example of the two types of graphs prepared (see Appendix III for the full set of graphs).

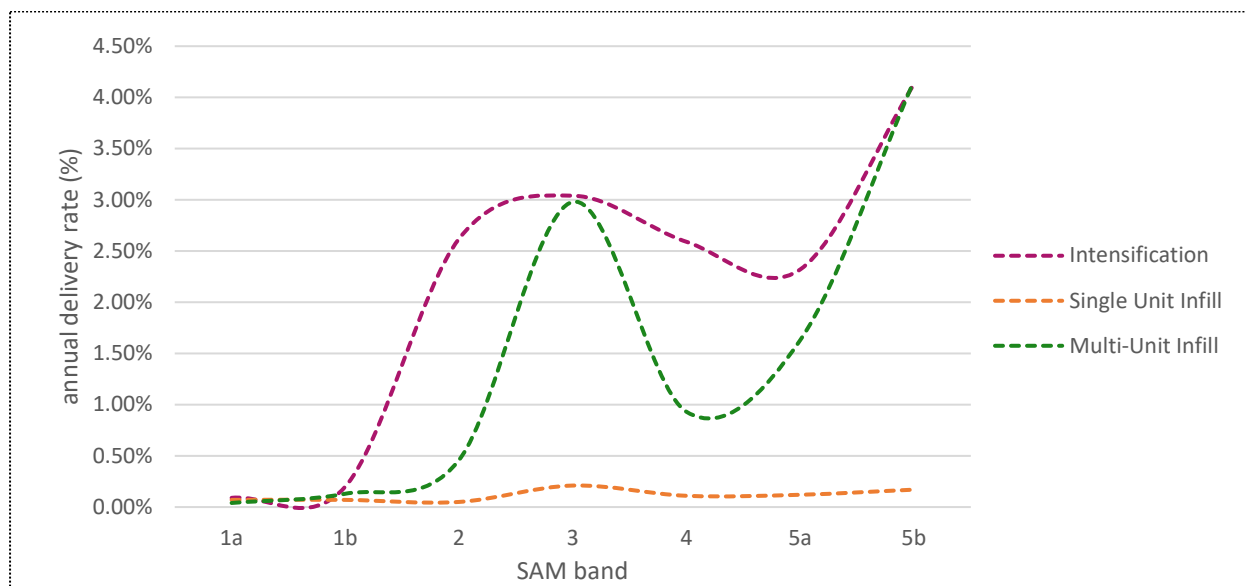
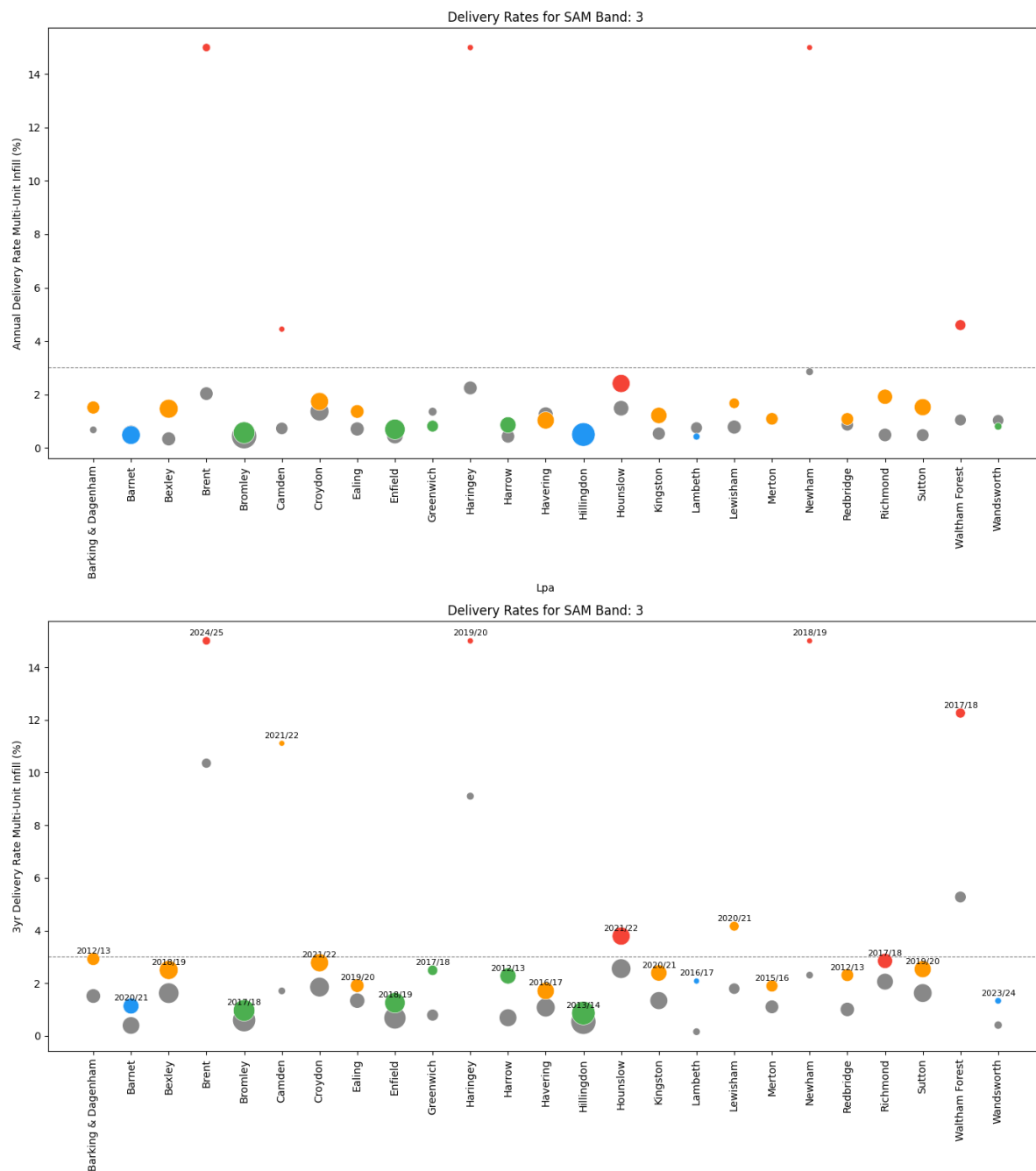


Figure 8-2: Historic delivery rates (15-year) by SAM band and broad type

- 8.32 In the top graph of Figure 8-3, the average annualised delivery rate across 15 years for each LPA (here within SAM Band 3) has been plotted (as coloured bubbles). The grey bubble represents the average annualised delivery rate across all SAM bands for the associated LPA.
- 8.33 In the bottom graph, the best performing three-year average delivery for each LPA has again been plotted and labelled with the final year of the rolling window. The grey bubble is the average long-term delivery (as in the top panel) for that specific LPA within that specific band.
- 8.34 In both graphs, the size of the bubbles is proportional to the total identified capacity for each LPA (scaled against its peers in the same plot)

Figure 8-3: LPA and SAM banded plots of delivery rate by broad type



8.35 The colours of the bubbles represent differing thresholds for the rates:

- Blue: rate less than 0.5%
- Green: rate between 0.5% and 1%
- Orange: rate between 1% and 2%
- Red: rate greater than 2%

- 8.36 Using a combination of both sets of graphs, a reference delivery rate for each SAM band-broad type pair was set. The grey dashed line is the uplifted rate set to the level judged to be the best already achieved rate demonstrated across an area (set of LPAs with a substantial sample size). This was generally set above the majority of the long-term rates and around the 75<sup>th</sup> percentile of achieved rates for the best performing three-year average.
- 8.37 These initially proposed uplifted rates were then refined to factor in the viability evidence. Through the London Plan Viability study, it was determined that intensification sites within Value Band F were unlikely to be economically viable to develop. As a result of this, given the relative overlap between SAM bands 1a, 1b and 2 with the respective value band, any units delivered within these SAM bands were excluded from the final outputs.

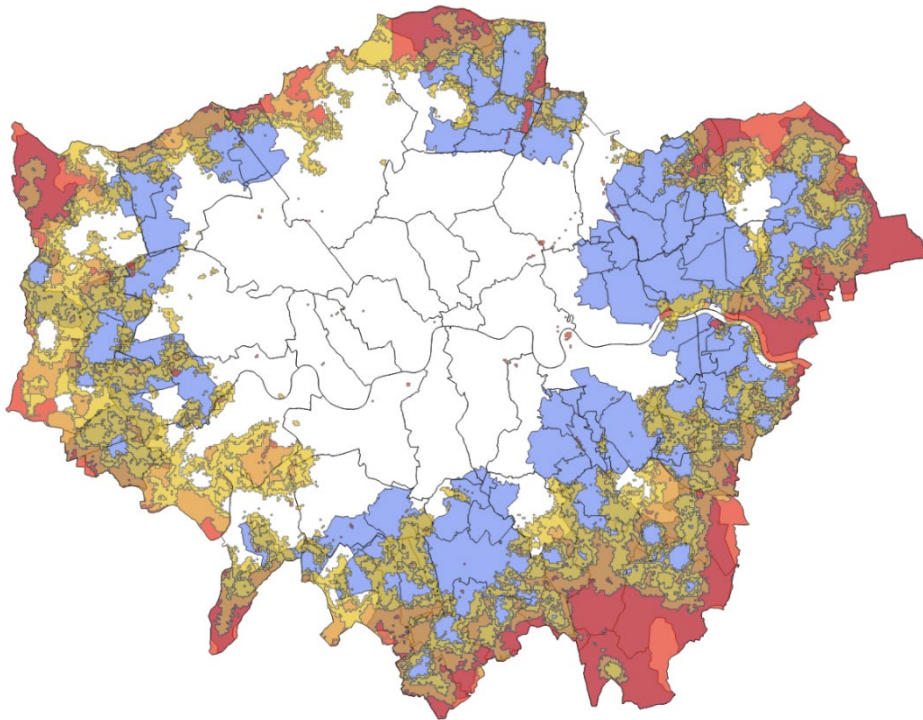


Figure 8-4: Overlap of SAM bands 1a, 1b and 2 (red, orange, yellow) and Value Band F (blue). London Boroughs shown for reference.

- 8.38 For the remaining intensification sites, the viability analysis indicated that sites outside Value F remained broadly viable, provided that a minimum of six units were delivered. On this basis, the uplifted delivery rates assigned to SAM bands 3 and 4 were reset at 2% (below the long-run average delivery rate, reflecting a more marginal position in these locations), while those for Bands 5a and 5b remained at the uplifted level. This reflects the greater return associated with development of sites located within the most well-connected areas.
- 8.39 Both infill types are generally viable in all locations and have not been discounted for viability.
- 8.40 Finally, consideration was given in the round to the anticipated effects of implementing the Small Sites Design Code. The Code translates the strategic ambition of the draft London Plan into clear development parameters and decision-making principles for consistent application across London.

- 8.41 It is intended that where the requirements of the Code are met, this should be afforded significant weight when determining applications and such schemes should be approved unless significant planning considerations indicate otherwise. This should translate into a reduction in the timeline for approval, and increased certainty for applicants and decision makers.
- 8.42 To further streamline the planning process, LPAs are encouraged to make LDOs that embed the London Small Sites Design Code within them. This provides planning permission for sites covered by the LDO, when applying the design code that is contained within the LDO.
- 8.43 An additional increase in delivery rates is applied across the board, of 25%, reflecting the improved efficiency of the approval process and associated effect to increasing housing production<sup>30</sup>. This is considered reasonable and realistic, targeting a reduction in processing time of 25%.
- 8.44 This increase was reviewed and adjusted to 50% for single-unit infill, where rates are starting from a lower baseline. This is justified because there is a larger scale of opportunity here, with the most significant identified notional capacity, and greater scope for improvements in planning certainty to shift the level of engagement with these sites, which are often undertaken by owner-occupiers and small-scale developers.

#### Change of Use

- 8.45 Change of Use (COU) developments are schemes in which an existing building is converted from one use class to another. Most commonly, the existing class represents a commercial use such as offices, retail or light industrial spaces with the resulting use class being residential accommodation. They are specifically designed to repurpose existing floorspace rather than carry new-build construction.
- 8.46 Within London, COU schemes are an important source of additional unit delivery, and, due to their repurposing nature, can often bring homes to market more quickly than traditional developments. However, it is important to highlight the fact that the scale, quality and layout of such projects are often influenced by the constraints of the original building and its design.
- 8.47 Evaluation of the COU component of the small sites' capacity followed a different approach to that adopted for the intensification and infill site types. COU developments are not expected to increase beyond their historically observed levels. Instead, the assumption – and consequently the respective delivery projection – is that COU developments will continue at a rate observed over the previous five years.
- 8.48 Here, for COU developments, historic delivery rates were assessed over the most recent five-year period rather than the longer 15-year period. This reflects the fact that much of the new supply came forward through permitted development, peaking in 2016/17. There has been a significant reduction in the level of delivery, reflecting the reduced return available to developers having to comply with national space standards<sup>31</sup> and provide adequate natural light<sup>32</sup>. It is possible that tightening energy performance

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<sup>30</sup> Gabriel, S. and Kung, E., Development Approval Times and New Housing Supply: Evidence from Los Angeles (May 19, 2026) ([https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4872147](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4872147))

<sup>31</sup> In force from April 2021.

<sup>32</sup> In force from August 2020.

requirements applicable to rented commercial buildings in 2031 may also prompt a shift in the long-term trend, however this is subject to considerable uncertainty. By using a shorter-term assessment of delivery, the resulting projections are more representative of the current capacity and development position of COU schemes.

- 8.49 Following extraction, the dataset was filtered to include only residential developments classified as "Change of Use". Using an annualised unit delivery rate derived from the five-year supply, forward-looking projections of unit delivery were calculated by extrapolating out the rate over a ten-year period.

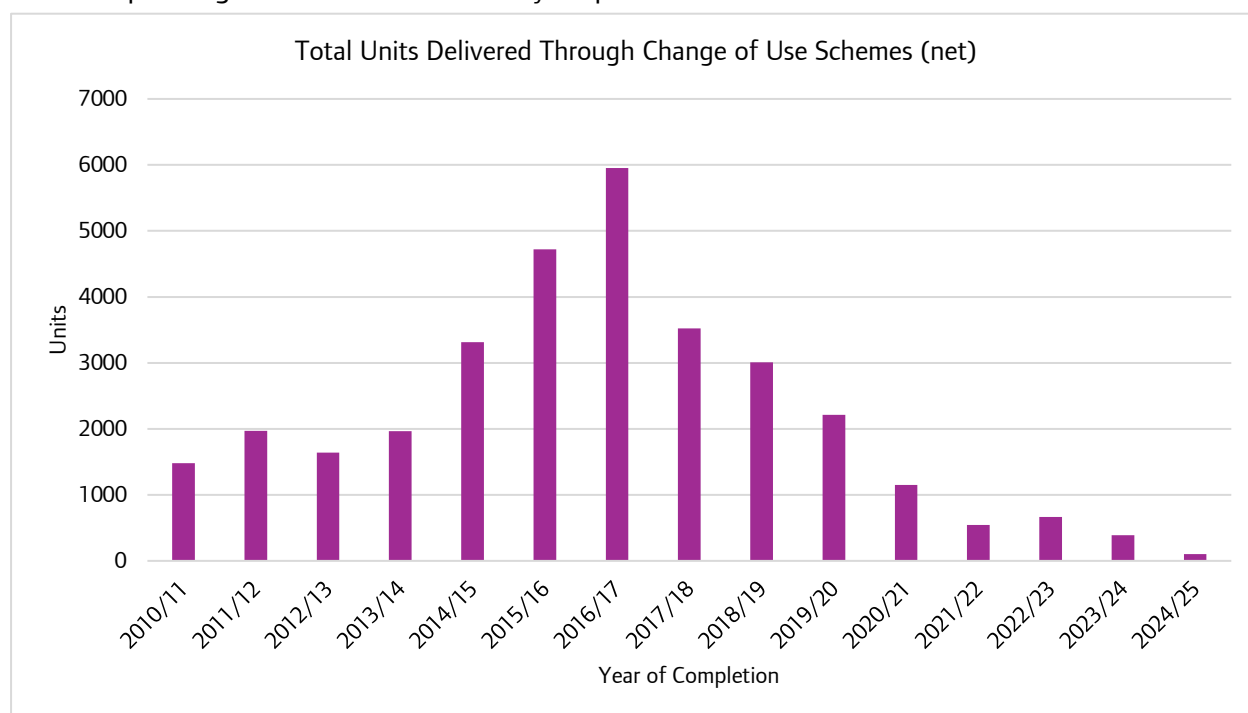


Figure 8-5: Time series of plot of the total units delivered through change of use schemes (2010/11 to 2024/25)

### Conversions

- 8.50 Conversion describes specific developments that reconfigure or subdivide an existing residential building to create additional units within the structure. Unlike COU schemes, the primary focus of conversions is on the structural adaption of the building rather than the change of its use. As a source of housing supply in the capital, conversions are smaller in scale than typical new build developments but can still make significant contributions to housing delivery.
- 8.51 Like COU, conversion development types are not expected to increase beyond their previous historic trajectory. However, they have maintained a more consistent rate and therefore the full 15-year period of delivery was used in the assessment of the annualised unit supply metric.
- 8.52 As before, all residential completions from FY 2010/11 to 2024/25 were extracted from the PLD. The data was filtered such that the development type for each permission was required to be "Conversion". Additionally, in order to account for only schemes where the conversion resulted in a net gain of new units, any scheme was required to deliver at least one additional unit.

8.53 Furthermore, to account for the non-trivial overlap in sites that would be candidates for both intensification and conversion developments, an adjustment was made to the conversion figure. 10% of the conversion capacity was discounted unless the total of identified capacity for intensification was less than 10% of the conversion figure. This ensured that the final target reflected the fact that a portion of the respective capacity may instead be used within a “preferred” intensification development.

8.54 As with other sub-types above, the annualised unit delivery was projected to a ten-year supply and aggregated by LPA (see Table 9-8).

#### Small site industrial redevelopment

8.55 The final component of small site housing supply is related to industrial land redevelopment. This refers directly to the development of residential schemes on land that previously had one of the three following industrial designations:

- Strategic Industrial Land (SIL)
- Locally Significant Industrial Sites (LSIS)
- Non-designated Industrial Land

8.56 In order to assess the historic loss of industrial land through small site residential development, the initial step was to establish a starting stock of industrial land. This was achieved using the London Industrial Land Survey (LILS) snapshot from 2010 as the starting point. This survey assessed all industrial land across the capital, categorising them into one of the three above designations.

8.57 A separate dataset was formulated using the same set of PLD completions drawn upon throughout this small site study. In this dataset, the location of each completion’s site was spatially matched with the above LILS snapshot GIS file. This facilitated a further filtering of the data such that only sites captured within an industrial area remained.

8.58 Following this, the site area for each valid industrial completion – derived directly from the permission’s polygon area – was evaluated. Summing these areas and grouping by both its respective LPA and year of completion produced an output of the total industrial area lost to residential development in each LPA in each year from FY 2010/11 to 2024/25.

8.59 Combining this data with the LILS initial snapshot (hereby referred to as the LILS-PLD industrial dataset), a cumulative year by year loss of industrial land was evaluated up to the most recent available data. The final output is representative of the current position of industrial land across London broken down by LPA.

8.60 From this a loss rate was applied, which was calculated from the combined LILS-PLD industrial dataset. For each year included within the analysis, the proportion of industrial land available during that year that was lost to small-site development was calculated. The analysis was aggregated and evaluated at the Property Market Area (PMA)<sup>33</sup> level. This resulted in aggregation over five distinct areas:

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<sup>33</sup> A Property Market Area (PMA) represents a geographical area defined by similar patterns of market demand, supply and activity.

- Central Services Area
- Lea Valley
- Park Royal/A40/Heathrow
- Thames Gateway
- Wandle Valley

- 8.61 For each valid year and each PMA, a percentage loss of industrial land was calculated. Collectively, these observations were used to inform the derivation of a representative loss rate, which was set at 0.1% per annum<sup>34</sup>.
- 8.62 Having established a uniform per annum loss, this rate was then applied to the present-day stock of industrial land, such that a forward-looking (10-year) projection could be established on a declining-balance basis<sup>35</sup>. For each year, the area lost to development was collected and subsequently converted into residential units through applying the optimisation framework.
- 8.63 Multiplying the calculated units per annum by 10 provided the full 10-year unit delivery estimate derived from industrial land loss. As with all other components, this metric was aggregated by LPA to provide the contribution to housing targets (see Table 18).

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<sup>34</sup> For more detail, see Appendix 2.

<sup>35</sup> Declining-balance basis implies that the loss rate is applied to the remaining balance of stock each year rather than the original stock amount. This means that the annual loss will taper gradually over the projection period rather than remain constant in absolute terms.

## 9. Findings on housing capacity for small sites

### Introduction

- 9.1 Data presented here reflects the analysis described in the previous chapter and is aimed at providing a comprehensive evidence base to support both the transparency and reproducibility of the methodology.
- 9.2 This chapter is divided into separate sections for each development type (single-unit infill, multi-unit infill, intensification, change of use (COU), conversions, and industrial developments). Within each section, the total ten-year targeted supply is presented, aggregated by Local Planning Authority.
- 9.3 In addition, for intensification, single-unit infill, and multi-unit infill sites, the total identified capacity and the capacity after applying delivery rates are also presented, aggregated by SAM band.

### Single Unit Infill

Table 9-1: Total capacity and capacity after applying delivery rates for single unit infill sites across SAM band (net units, 2027/28-36/37).

| <b>SAM Band</b> | <b>Total Identified notional capacity</b> | <b>Total capacity after applying delivery rates</b> |
|-----------------|-------------------------------------------|-----------------------------------------------------|
| 1a              | 453                                       | 68                                                  |
| 1b              | 7,051                                     | 705                                                 |
| 2               | 58,779                                    | 2,175                                               |
| 3               | 82,065                                    | 8,207                                               |
| 4               | 69,304                                    | 5,544                                               |
| 5a              | 50,929                                    | 9,167                                               |
| 5b              | 6,940                                     | 2,429                                               |
| <b>Total</b>    | <b>275,521</b>                            | <b>28,295</b>                                       |

Table 9-2: Ten-year unit supply aggregated by Local Planning Authority for single unit infill. (net units, 2027/28-36/37)

| <b>Local Planning Authority</b> | <b>Ten Year Unit Supply</b> |
|---------------------------------|-----------------------------|
| Barking & Dagenham              | 539                         |
| Barnet                          | 1,237                       |
| Bexley                          | 972                         |
| Brent                           | 1,158                       |
| Bromley                         | 870                         |
| Camden                          | 536                         |
| City of London                  | 0                           |
| Croydon                         | 1,260                       |
| Ealing                          | 1,896                       |
| Enfield                         | 1,568                       |
| Greenwich                       | 417                         |
| Hackney                         | 690                         |

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Hammersmith & Fulham     | 237                  |
| Haringey                 | 1,061                |
| Harrow                   | 1,049                |
| Havering                 | 1,101                |
| Hillingdon               | 1,068                |
| Hounslow                 | 727                  |
| Islington                | 853                  |
| Kensington & Chelsea     | 523                  |
| Kingston                 | 504                  |
| Lambeth                  | 964                  |
| Lewisham                 | 1,140                |
| Merton                   | 1,400                |
| Newham                   | 866                  |
| OPDC                     | 0                    |
| Redbridge                | 1,186                |
| Richmond                 | 610                  |
| Southwark                | 431                  |
| Sutton                   | 656                  |
| Tower Hamlets            | 264                  |
| Waltham Forest           | 1,270                |
| Wandsworth               | 954                  |
| Westminster              | 288                  |
| <b>Total</b>             | <b>28,295</b>        |

### Multi-unit infill

Table 9-3: Total capacity and capacity after applying delivery rates for multi-unit infill sites across SAM band (net units, 2027/28-36/37).

| SAM Band     | Total Identified Capacity | Total capacity after applying delivery rates |
|--------------|---------------------------|----------------------------------------------|
| 1a           | 5,949                     | 558                                          |
| 1b           | 9,257                     | 1,157                                        |
| 2            | 26,642                    | 3,810                                        |
| 3            | 33,812                    | 12,680                                       |
| 4            | 39,282                    | 12,276                                       |
| 5a           | 43,194                    | 22,145                                       |
| 5b           | 16,114                    | 10,071                                       |
| <b>Total</b> | <b>174,250</b>            | <b>62,697</b>                                |

Table 9-4: Ten-year unit supply aggregated by Local Planning Authority for multi-unit infill.  
(net units, 2027/28-36/37)

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Barking & Dagenham       | 724                  |
| Barnet                   | 3,683                |
| Bexley                   | 1,274                |
| Brent                    | 2,204                |
| Bromley                  | 3,177                |
| Camden                   | 2,756                |
| City of London           | 544                  |
| Croydon                  | 3,235                |
| Ealing                   | 2,546                |
| Enfield                  | 2,421                |
| Greenwich                | 771                  |
| Hackney                  | 2,587                |
| Hammersmith & Fulham     | 387                  |
| Haringey                 | 2,190                |
| Harrow                   | 1,816                |
| Havering                 | 1,562                |
| Hillingdon               | 2,776                |
| Hounslow                 | 1,576                |
| Islington                | 2,386                |
| Kensington & Chelsea     | 1,371                |
| Kingston                 | 1,573                |
| Lambeth                  | 2,043                |
| Lewisham                 | 2,122                |
| Merton                   | 1,678                |
| Newham                   | 1,058                |
| OPDC                     | 548                  |
| Redbridge                | 1,819                |
| Richmond                 | 1,415                |
| Southwark                | 935                  |
| Sutton                   | 1,192                |
| Tower Hamlets            | 2,413                |
| Waltham Forest           | 1,888                |
| Wandsworth               | 1,991                |
| Westminster              | 2,038                |
| <b>Total</b>             | <b>62,697</b>        |

# Intensification

Table 9-5: Total capacity and capacity after applying delivery rates for intensification infill sites across SAM band (net units, 2027/28-36/37).

| SAM Band     | Total Identified Capacity | Total capacity after applying delivery rates |
|--------------|---------------------------|----------------------------------------------|
| 1a           | 4,127                     | -                                            |
| 1b           | 29,208                    | -                                            |
| 2            | 57,924                    | -                                            |
| 3            | 37,250                    | 6,487                                        |
| 4            | 24,540                    | 4,325                                        |
| 5a           | 9,959                     | 4,261                                        |
| 5b           | 534                       | 86                                           |
| <b>Total</b> | <b>163,542</b>            | <b>15,158</b>                                |

Table 9-6: Ten-year unit supply aggregated by Local Planning Authority for intensification site types. (net units, 2027/28-36/37)

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Barking & Dagenham       | 77                   |
| Barnet                   | 2,453                |
| Bexley                   | 284                  |
| Brent                    | 0                    |
| Bromley                  | 1,750                |
| Camden                   | 182                  |
| City of London           | 4                    |
| Croydon                  | 2,242                |
| Ealing                   | 428                  |
| Enfield                  | 3                    |
| Greenwich                | 1                    |
| Hackney                  | 411                  |
| Hammersmith & Fulham     | 0                    |
| Haringey                 | 9                    |
| Harrow                   | 11                   |
| Havering                 | 1,120                |
| Hillingdon               | 345                  |
| Hounslow                 | 105                  |
| Islington                | 0                    |
| Kensington & Chelsea     | 0                    |
| Kingston                 | 824                  |
| Lambeth                  | 914                  |
| Lewisham                 | 25                   |
| Merton                   | 1,258                |
| Newham                   | 152                  |
| OPDC                     | 0                    |
| Redbridge                | 595                  |

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Richmond                 | 400                  |
| Southwark                | 395                  |
| Sutton                   | 0                    |
| Tower Hamlets            | 66                   |
| Waltham Forest           | 549                  |
| Wandsworth               | 451                  |
| Westminster              | 108                  |
| <b>Total</b>             | <b>15,158</b>        |

### Change of Use

Table 9-7: Ten-year unit supply aggregated by Local Planning Authority for change of use. (net units, 2027/28-36/37)

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Barking & Dagenham       | 160                  |
| Barnet                   | 118                  |
| Bexley                   | 108                  |
| Brent                    | 10                   |
| Bromley                  | 120                  |
| Camden                   | 140                  |
| City of London           | 22                   |
| Croydon                  | 780                  |
| Ealing                   | 24                   |
| Enfield                  | 120                  |
| Greenwich                | 64                   |
| Hackney                  | 184                  |
| Hammersmith & Fulham     | 126                  |
| Haringey                 | 134                  |
| Harrow                   | 122                  |
| Havering                 | 286                  |
| Hillingdon               | 578                  |
| Hounslow                 | 20                   |
| Islington                | 126                  |
| Kensington & Chelsea     | 46                   |
| Kingston                 | 50                   |
| Lambeth                  | 90                   |
| Lewisham                 | 66                   |
| Merton                   | 58                   |
| Newham                   | 198                  |
| OPDC                     | 0                    |
| Redbridge                | 146                  |

| Local Planning Authority | Ten Year Unit Supply |
|--------------------------|----------------------|
| Richmond                 | 214                  |
| Southwark                | 94                   |
| Sutton                   | 220                  |
| Tower Hamlets            | 476                  |
| Waltham Forest           | 32                   |
| Wandsworth               | 328                  |
| Westminster              | 470                  |
| <b>Total</b>             | <b>5,730</b>         |

### Conversions

Table 9-8: Ten-year unit supply aggregated by Local Planning Authority for conversions (net units, 2027/28-36/37).

| Planning Authority   | Ten Year Unit Supply |
|----------------------|----------------------|
| Barking & Dagenham   | 77                   |
| Barnet               | 743                  |
| Bexley               | 181                  |
| Brent                | 839                  |
| Bromley              | 365                  |
| Camden               | 261                  |
| City of London       | 14                   |
| Croydon              | 1,356                |
| Ealing               | 778                  |
| Enfield              | 551                  |
| Greenwich            | 201                  |
| Hackney              | 1,067                |
| Hammersmith & Fulham | 847                  |
| Haringey             | 1,420                |
| Harrow               | 500                  |
| Havering             | 131                  |
| Hillingdon           | 325                  |
| Hounslow             | 194                  |
| Islington            | 758                  |
| Kensington & Chelsea | 323                  |
| Kingston             | 220                  |
| Lambeth              | 786                  |
| Lewisham             | 776                  |
| Merton               | 343                  |
| Newham               | 446                  |
| OPDC                 | 29                   |
| Redbridge            | 392                  |

| Planning Authority | Ten Year Unit Supply |
|--------------------|----------------------|
| Richmond           | 239                  |
| Southwark          | 567                  |
| Sutton             | 260                  |
| Tower Hamlets      | 498                  |
| Waltham Forest     | 567                  |
| Wandsworth         | 811                  |
| Westminster        | 429                  |
| <b>Total</b>       | <b>17,291</b>        |

### Industrial small sites

Table 9-9: Ten-year unit supply aggregated by Local Planning Authority for industrial sites (net units, 2027/28-36/37).

| Planning Authority   | Ten Year Unit Supply |
|----------------------|----------------------|
| Barking & Dagenham   | 532                  |
| Barnet               | 122                  |
| Bexley               | 536                  |
| Brent                | 286                  |
| Bromley              | 151                  |
| Camden               | 55                   |
| City of London       | 18                   |
| Croydon              | 197                  |
| Ealing               | 370                  |
| Enfield              | 491                  |
| Greenwich            | 283                  |
| Hackney              | 61                   |
| Hammersmith & Fulham | 119                  |
| Haringey             | 173                  |
| Harrow               | 76                   |
| Havering             | 522                  |
| Hillingdon           | 480                  |
| Hounslow             | 494                  |
| Islington            | 70                   |
| Kensington & Chelsea | 32                   |
| Kingston             | 119                  |
| Lambeth              | 94                   |
| Lewisham             | 139                  |
| Merton               | 182                  |
| Newham               | 555                  |
| OPDC                 | 433                  |
| Redbridge            | 76                   |
| Richmond             | 43                   |
| Southwark            | 152                  |

| Planning Authority | Ten Year Unit Supply |
|--------------------|----------------------|
| Sutton             | 329                  |
| Tower Hamlets      | 171                  |
| Waltham Forest     | 219                  |
| Wandsworth         | 144                  |
| Westminster        | 18                   |
| <b>Total</b>       | <b>7,743</b>         |

Total by small site component

Table 9-10: Ten-year unit supply by type of small site (net units, 2027/28-36/37)

| Component          | Total Ten Year Supply |
|--------------------|-----------------------|
| Single-unit infill | 28,295                |
| Multi-unit infill  | 62,695                |
| Intensification    | 15,158                |
| Change of Use      | 5,730                 |
| Industrial         | 7,743                 |
| Conversions        | 17,291                |
| <b>Total</b>       | <b>136,914</b>        |

Totals by LPA (combining above figures)

Table 9-11: Total small site targets aggregated by Local Planning Authority (net units, 2027/28-36/37).

| Planning Authority   | Ten Year Unit Supply |
|----------------------|----------------------|
| Barking & Dagenham   | 2,108                |
| Barnet               | 8,355                |
| Bexley               | 3,355                |
| Brent                | 4,498                |
| Bromley              | 6,433                |
| Camden               | 3,931                |
| City of London       | 601                  |
| Croydon              | 9,070                |
| Ealing               | 6,041                |
| Enfield              | 5,155                |
| Greenwich            | 1,737                |
| Hackney              | 5,000                |
| Hammersmith & Fulham | 1,717                |
| Haringey             | 4,987                |
| Harrow               | 3,573                |
| Havering             | 4,722                |
| Hillingdon           | 5,571                |
| Hounslow             | 3,115                |
| Islington            | 4,193                |
| Kensington & Chelsea | 2,295                |
| Kingston             | 3,290                |
| Lambeth              | 4,891                |
| Lewisham             | 4,268                |
| Merton               | 4,919                |
| Newham               | 3,276                |
| OPDC                 | 1,010                |
| Redbridge            | 4,214                |
| Richmond             | 2,919                |
| Southwark            | 2,572                |
| Sutton               | 2,658                |
| Tower Hamlets        | 3,886                |
| Waltham Forest       | 4,525                |
| Wandsworth           | 4,678                |
| Westminster          | 3,351                |
| <b>Total</b>         | <b>136,914</b>       |

## 10. Taking stock – options for closing the gap to need

### Introduction

- 10.1 This chapter brings together the findings of the previous sections and presents a total developable land supply across large and small sites. This total is compared to housing need and consideration made of the extent of the gap to need, and prospects for closing it.

### Combined developable capacity 2027/28 to 2036/37

- 10.2 The total combined capacity from large sites and small sites which is reasonably considered to be developable across the 10-year housing requirement period is presented below. This is derived from the methodology set out above, which comprises an initial assessment of capacity which is suitable, available, and achievable in that period.

Table 10-1: Combined developable capacity from large and small sites (net units, 2027/28-36/37)

| Source of supply  | Total capacity (2027/28 to 36/37) |
|-------------------|-----------------------------------|
| Permissions       | 205,703                           |
| Other large sites | 74,720                            |
| Small sites       | 136,914                           |
| <b>Total</b>      | <b>417,338</b>                    |

- 10.3 The government's Standard Method for assessing housing need provides London with a need figure of 84,800 per annum<sup>36</sup>. Extrapolating this over the same 10-year period results in a total housing need figure of 848,000 homes. The initial identified supply therefore comprises approximately 50% of the level required to meet need.

### Options for increasing supply

- 10.4 The two principal options for closing this gap are to attempt to source additional sites, and to reconsider the choices which are made about capacity and delivery<sup>37</sup>.
- 10.5 In respect of small sites, the values which have been used to calculate the modelled small sites delivery are the maximum which are considered to be realistic in light of the assessment of total notional capacity, historic [windfall] delivery rates and expected future trends.
- 10.6 It was considered that a further London-wide call for sites would be unlikely to generate a significant improvement in coverage on the already-assessed database of sites. This is because the first was widely advertised and amplified through a range of promotional activities and collaboration with all London LPAs, which also drew on their own site-search work.
- 10.7 The next step is to consider the choices which influence the assumed development capacity of large sites. Here, the densities which have been used to inform the capacity assessment have already been optimised as set out in Section 5<sup>38</sup>. As part of the Optimisation Framework, an uplift in density/built form was applied to all areas with

<sup>36</sup> As of time of writing in July 2026, [SHMA, 2026](#).

<sup>37</sup> PPG, Paragraph: 025 Reference ID: 3-025-20190722

<sup>38</sup> This is set out in more detail in the [Optimisation Framework Methodology paper](#).

respect to SAM, meaning that all areas are expected to provide increases in densities. In turn, even greater uplifts have been applied to areas which have the potential for the greatest level of change.

- 10.8 While in future, changes in SAM score and setting due to transport investment and other new development may uplift density expectations and deliverability, it was not considered appropriate to 'bake in' any schemes at the point at which the SAM modelling was commissioned due to the lack of committed investment. It is noted that assumptions about the DLR extension have been factored into design-led capacities which are primarily used in its vicinity. In cases where design-led capacities factor in as yet uncommitted transport investment, this has been handled through scheme phasing.
- 10.9 As set out in Section 5, the GLA also undertook a review of all information provided in support of design-led capacities by LPAs. Particular scrutiny took place of evidence in respect of sites which deviated by more than 20% from capacities expected by applying the methodology set out above.
- 10.10 In approximately 47% of these cases the provided design-led capacity was greater than expected when compared to the reference-system figure. Of these, in nearly two thirds of cases this value was accepted, and in the majority of the remaining third the reviewed values were adjusted based on application of policy constraints. This was most often in relation to designated industrial land, MOL, and Green Belt.
- 10.11 Where the reference system value was greater than the design-led capacity, the rationale for the lower figure provided by LPAs was accepted in c.52% of cases, often due to specific design constraints and factors requiring a non-standard treatment. In these cases, the GLA accepted the rationale provided for limiting the capacity and would not consider development of a greater intensity to be suitable in that location based on current available evidence. In the remaining cases<sup>39</sup> just over 50% of the design-led values were adjusted upwards towards the system value.
- 10.12 One option which was given consideration was to reduce the assumed form of development to a lower density format, in light of schemes with shorter build durations and lower material costs generally being more viable than more dense typologies. It is possible that with reductions to scheme density, additional developable capacity could be realised in the short term. However, this would forego the greater longer-term potential of many development sites, would reduce the overall scale of housing delivery possible, and would not be considered in line with the plan's key Good Growth Objective to 'make best use of land'.
- 10.13 Lower densities also affect the viability and vitality of places through their impact on footfall, businesses and services, so could reduce the regeneration and place-making benefits that would normally be anticipated with brownfield redevelopment. Moreover, where some of this capacity will in time benefit from transport and other infrastructure improvements which may further increase density expectations, there will be a further opportunity cost. To develop at a lower density could undermine the business case for transport investment, and affect the operational viability of transport services.

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<sup>39</sup> After accounting for a small proportion of sites identified as unsuitable upon detailed review. (less than 2%).

10.14 Taking a longer term perspective, and considering the impact of widespread under-optimisation of key development opportunities, this option was discounted.

10.15 A further area of investigation was the impact of the constraint discounts and exclusions. One of the capabilities of the Land4LDN platform and database is to keep track of the effect of the constraint layer rules in amending the resulting capacity which is estimated. Table 10-2 below details the ten most impacting constraints on sites which have not been fully excluded.

10.16 The totals in Table 10-2 are the notional amount of capacity which could theoretically be gained if each constraint were to be disregarded.

10.17 Of these, the most impacting on identified capacity are industrial land designations, with a total of c.150,000 units impacted. 42,000 of these are on sites which are based on system calculation (the sites which are based on a design-led capacity are unaffected by changes to the system calculation in their contribution to the total assessed capacity).

10.18 The next most impacted category of constraint is Designated Open Space (Metropolitan Open Land, and Other Open Space<sup>40</sup>). The majority of this capacity was on sites which had a provided design-led capacity.

Table 10-2: 10 most impacting constraints in reducing notional capacity in Land4LDN

| Constraint Layer Capacity Impact               | Sites with a design-led capacity | Sites with capacity based on system calculation | Grand Total   |
|------------------------------------------------|----------------------------------|-------------------------------------------------|---------------|
| Locally Significant Industrial Sites (LSIS)    | 60810                            | 30171                                           | 90981         |
| Strategic Industrial Land (SIL)                | 49872                            | 12258                                           | 62130         |
| Designated Open Space (Metropolitan Open Land) | 21165                            | 857                                             | 22022         |
| Designated Open Space (Other Open Space)       | 17018                            | 1543                                            | 18561         |
| Flood Risk High                                | 11089                            | 2588                                            | 13677         |
| Conservation Areas                             | 4001                             | 1342                                            | 5343          |
| Flood Risk Medium                              | 2356                             | 426                                             | 2782          |
| Safeguarded Wharves                            | 1008                             | 87                                              | 1095          |
| Aircraft Noise Pollution                       | 504                              | 303                                             | 807           |
| Scheduled Monuments                            | 84                               | 8                                               | 92            |
| <b>Total</b>                                   | <b>167907</b>                    | <b>49583</b>                                    | <b>217490</b> |

10.19 Flood Risk (High and Medium) accounts for a further c.16,000 units' worth of capacity impact, with Conservation Areas, Safeguarded Wharves and Scheduled Monuments the remaining most impacting constraints.

<sup>40</sup> The other category of Designated Open Space, Green Belt, was directed to LPAs to be excluded as unsuitable.

10.20 Even applying no further adjustments to this 'additional' capacity which could be realised through disregarding these constraints, the total to be added would be insufficient to close the gap to need. Moreover, there is a strong rationale to support the application of these constraint-based adjustments to estimated capacity: in many cases they are supported by protection enshrined in legislation, and otherwise have been modelled as reducing capacity in order to reflect other needs which the plan must also address.

10.21 In reality a number of these sites would also be caught by the viability discounting to represent the estimation of the reasonable best-case position with respect to likely achievability over the next ten years.

### Next steps

10.22 Having considered all of the major policy constraints which were incorporated into the modelling of capacity, it is clear that the majority would be unable to make a significant contribution towards closing the gap to need, notwithstanding their important role in managing growth.

10.23 However, the numbers in Table 10-2 do not represent a full dataset of all opportunities, as the expected operation of policies in the current development plan and wider discourse about what is likely to be acceptable shape impact what has been put forward for consideration. Simply disapplying constraints would not necessarily add up to a justifiable strategy when the combined effect is taken in combination.

10.24 The following chapters detail the subsequent investigation of the potential to supplement the identified developable capacity through pursuing new approaches through the draft London Plan, firstly considering industrial land and other broad categories of brownfield land.

## 11. Additional industrial release

### Introduction

- 11.1 Release of some industrial land is already factored into the capacity assumed in both the small and large site components in the previous chapters. This is derived from the route provided in the London Plan 2021, which enables industrial sites to contribute to meeting housing needs through the processes of intensification, colocation and substitution<sup>41</sup>.
- 11.2 As highlighted in chapter 10, in light of the gap to housing need, further consideration has been given to developing an approach to the management of industrial land to enable some release for housing delivery.
- 11.3 The following sections set out the approach in detail. This has sought to identify the most sustainable locations for release from a residential and industrial need perspective. From a residential perspective, this means accounting for their positive locational attributes in terms of connectivity. From an industrial perspective, this means minimisation of impact on industrial requirements and operations, including their infrastructure requirements, and therefore overall economic functionality of each PMA and London overall. This is consistent with the overall spatial strategy approach to making best use of land and associated existing infrastructure.

### Identifying potential LPA-level capacity from additional industrial release

- 11.4 The starting point was all land in the London Industrial Land Supply (LILS) study database. The was used in order to ensure a comprehensive coverage of industrial land, both designated and non-designated was considered. From this starting point a number of exclusions were made to filter out land not suitable for release<sup>42</sup>.
- 11.5 Land which has a SAM score of below 4 was removed from further consideration. This ensured that the area of search was limited to locations which would minimise industrial release by focusing it in areas where higher densities can be sustained, and provide the strongest candidates for sustainable access and travel.
- 11.6 Also excluded was:
- non-designated industrial land below the small site threshold (0.25ha), and land where the aggregate area of suitable land after other exclusions on a SIL, LSIS or non-designated site would result in a parcel which would be less than the small site threshold. This is to ensure no double-counting of capacity which is accounted for through the small sites component and avoid aggregating together very small parts of sites which on their own would not be developable.
  - land covered by residential permissions in the Planning London Datahub (PLD).
  - strategic infrastructure locations that depend on industrial land - covering (broadly based on the LILS<sup>43</sup>).

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<sup>41</sup> [London Plan 2021](#), Policy E4 and E7.

<sup>42</sup> Additional detail is provided in the [Industrial Evidence paper](#).

<sup>43</sup> [LILS](#), Table 2.2

- Waste/recycling/secondary materials and aggregates – includes refuse disposal facilities (tips, landfill sites and disposal plants), recycling facilities and amenities, as well as handling of secondary materials and aggregates
  - Utilities – includes energy production and distribution, water/wastewater supply and treatment, and telecommunication
  - Rail – includes land for tracks, depots, railheads/terminals, but only if on designated land currently or in 2010
  - Buses – includes land for garages and depot facilities
  - Airport related activities and freight – includes storage of planes, aero parts, repair and other areas for cargo
  - Docks – land in use for marine infrastructure such as piers and jetties
  - Safeguarded wharves
  - Land within the CAZ and Northern Isle of Dogs plus a 3km buffer around these.
  - If more than 25% of a land parcel was at high flood risk it was excluded. This threshold was chosen, as it fitted with wider assumptions around net versus gross site areas used in the OF, which assumes a certain amount of any site is not in residential use but used for other infrastructure, which could include green infrastructure
  - Locations with high levels of airport, road, and railway noise.
  - Primary freight access clusters – SIL/LSIS with very good freight access
  - Land safeguarded for future transport investment, or where future safeguarding may be necessary
- 11.7 The resulting sites formed the remaining set of candidate industrial locations which are considered suitable and in scope for release.
- 11.8 For each PMA a sustainable benchmark of floorspace loss based on a benchmark annual loss figure of 1.3%, (derived from analysis of historic rates of loss across the period 2011 to 2020 by PMA) was set as a maximum level of release which would be acceptable. This is to reflect concerns over previous high levels of loss as set out in the LILS. The 1.3% is translated to 9%, aggregated over 7 years, allowing for a 3-year lead-in for the industrial releases to be plan-led.
- 11.9 Gross losses were used, i.e. no adjustment was made for floorspace gains, as the measure was designed to capture the impacts of loss on local businesses, services and jobs rather than the overall balance of meeting industrial needs.
- 11.10 This floorspace rate was translated into a land-based rate by applying the average plot ratio in each PMA, ranging from 42.6% in the Lea Valley PMA up to 97.4% in the CSA, based on the LILS.

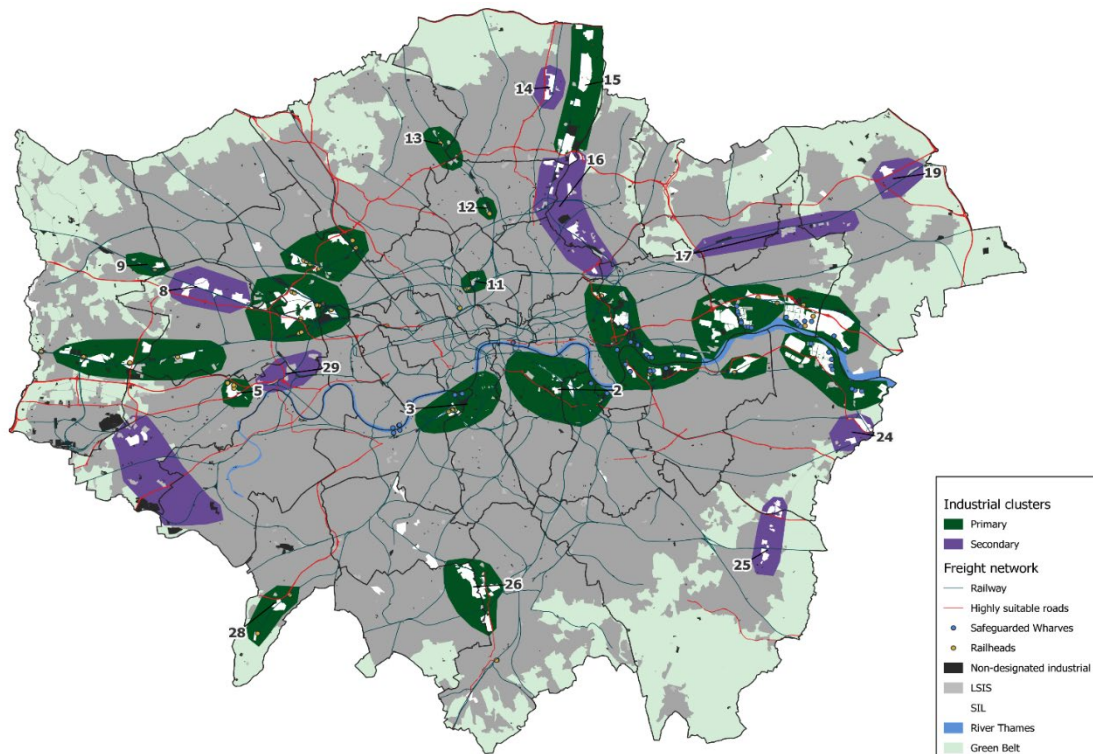


Figure 11-1: Freight access clusters

11.11 In assessing whether the release benchmark was reached, a further adjustment was made to the amount of land and capacity which is contributed from each site, based on its viability performance. Where land fell within a value band modelled to be unviable it was fully discounted and removed from consideration. Land was discounted by 50% if it was marginally viable by virtue of its value band location and expected development typology. This reflected the likelihood of development occurring on such sites across the ten-year target-setting period under consideration.

11.12 The land in scope based on the candidate supply per PMA was then ranked to identify a sequential preference for the most suitable sites, until the sustainable release benchmark was reached.

- Severity of flood risk first, ensuring land with lowest flood risk in any category was prioritised.
- In line with the plan objective of making best use of land, the next ranking criterion prioritised land in (residential-oriented) Brownfield First Opportunity Areas (BFOAs). This was because these have already benefited from or are planned to have significant transport investment and other interventions, and additional residential capacity would strengthen the business case for doing so, making best use of the transport connectivity and bringing improved potential for place-making benefits, which in turn can help improve viability.

- The next preference started with sites outside of secondary freight access clusters<sup>44</sup> and then within that pool, land with the highest SAM down to level 4 (the mean SAM score for each fragment of industrial land was used).
- Sites were then ranked by industrial designation, starting with non-designated land, and using SIL in any ranked category last.

11.13 An alternative ranking was also tested, which prioritised designation, with non-designated sites preferred to LSIS, and LSIS preferred to SIL. This yielded less capacity and was discounted.

11.14 Where suitable, based on the filtering applied to assess locations in the initial step, additional land in non-industrial use or vacant was added to the release quantum even when it would take total release to above the sustainable release benchmark. This was considered acceptable given a large proportion of total vacant industrial (99%) and non-industrial (93%) land would remain available to the market and given the plan objective to make best use of land.

11.15 In addition, where sites that were allocations or draft allocations and were already identified through the large sites work described in chapters 5-7 fell within the release pool, their capacities were sense-checked and uplifted where co-location policy expectations had previously limited their assessed residential capacity, unless they were in recently adopted plans or those that had reached Regulation 19 stage.

11.16 The industrial release potential resulting from the above process, which was conducted iteratively is set out in Table 11-1, below.

Table 11-1: Industrial release pool for housing after applying PMA benchmark (hectares)

| PMA                         | Effective release area (hectares) |
|-----------------------------|-----------------------------------|
| CSA                         | 35                                |
| Thames Gateway              | 13                                |
| Lea Valley                  | 60                                |
| Park Royal / A40 / Heathrow | 120                               |
| Wandle Valley               | 50                                |
| <b>London</b>               | <b>278</b>                        |

11.17 This prioritised set of sites within each PMA was then given an estimated capacity by applying the OF to the combined site area. Across the whole set of identified sites, roughly 80% of identified the area falls within Setting F – Low density land.

11.18 This step identifies the capacity at a site level which is then distributed to an LPA level total. These totals are set out below in Table 11-2.

<sup>44</sup> Industrial Evidence paper, Annex 3

Table 11-2: Housing capacity by LPA on additional industrial land (net units, 2027/28-36/37)

| LPA                    | Additional identified housing capacity from industrial land (net) |
|------------------------|-------------------------------------------------------------------|
| Barking and Dagenham   | 0                                                                 |
| Barnet                 | 1612                                                              |
| Bexley                 | 0                                                                 |
| Brent                  | 2186                                                              |
| Bromley                | 74                                                                |
| Camden                 | 0                                                                 |
| City of London         | 0                                                                 |
| Croydon                | 0                                                                 |
| Ealing                 | 10711                                                             |
| Enfield                | 21                                                                |
| Greenwich              | 35                                                                |
| Hackney                | 544                                                               |
| Hammersmith and Fulham | 388                                                               |
| Haringey               | 6087                                                              |
| Harrow                 | 1989                                                              |
| Havering               | 405                                                               |
| Hillingdon             | 21                                                                |
| Hounslow               | 2321                                                              |
| Islington              | 0                                                                 |
| Kensington and Chelsea | 0                                                                 |
| Kingston upon Thames   | 167                                                               |
| Lambeth                | 1634                                                              |
| Lewisham               | 1178                                                              |
| Merton                 | 5282                                                              |
| Newham                 | 240                                                               |
| Redbridge              | 660                                                               |
| Richmond upon Thames   | 181                                                               |
| Southwark              | 36                                                                |
| Sutton                 | 0                                                                 |
| Tower Hamlets          | 0                                                                 |
| Waltham Forest         | 2500                                                              |
| Wandsworth             | 6807                                                              |
| Westminster            | 0                                                                 |
| OPDC                   | 0                                                                 |
| <b>Total</b>           | <b>45079</b>                                                      |

11.19 As the total capacity (and areas specified in Table 11-1) has been adjusted to account for the viability of industrial development, there are various combinations of sites which could be developed in order to deliver the capacity identified above.

11.20 This is considered the maximum which can reasonably be delivered from industrial land in the initial ten-year period, taking into account the need to proactively manage the supply of industrial land in order to meet future needs and manage the impacts which arise from reductions to the stock of industrial land, namely the effects on local businesses, services and jobs

## 12. Other brownfield land and MOL

- 12.1 The sites which are included in the large sites database already represent a wide range of different opportunities which are considered to be able to contribute to housing delivery.
- 12.2 In the previous chapter this capacity has been extended through developing an approach to the redevelopment of well-connected locations currently in industrial use. The approach is reliant on the ability of the London Plan to balance needs and supply at a strategic scale and develop a policy approach which will facilitate the delivery of new industrial land that best meets the needs as defined in the Economic Uses Demand and Supply Study<sup>45</sup>.
- 12.3 As highlighted in chapter 10, the vast majority of the constraints which are identified as reducing the available capacity are unable reasonably to be overcome. There is no realistic prospect of unlocking further brownfield land at scale through adjusting the London Plan's approach to particular policy areas, given that the vast majority of sites are in active uses which are vital to the functionality of the city.

- 12.4 The other large-scale constraint which is impacting on capacity is Metropolitan Open Land (MOL).

### Metropolitan Open Land

- 12.5 MOL covers approximately 15,700 hectares within London's urban area and performs important functions as accessible open space, green infrastructure, and land for sport and recreation.
- 12.6 The Mayor's Towards a New London Plan consultation noted the potential for release in limited circumstances, including some golf courses where development could support improved public access to open space.
- 12.7 Initial GLA analysis made assessment of the potentially suitable land. The assessment of MOL capacity excluded:
- Areas not within walking distance to a rail station (15mins/1200m).
  - Areas used as accessible green space (i.e. is freely publicly accessible).
  - Areas covered by one the 'primary constraints' – land uses or formal designations considered to effectively rule out future development potential.
- 12.8 Accounting for these exclusions, testing indicated that only a small proportion of MOL (around 1–3%) may potentially be suitable for release, with constraint exclusions in particular highlighting the multi-functional role of MOL<sup>46</sup>.
- 12.9 While not insubstantial in scale cumulatively, it was decided that there was unlikely to be a London-wide justification for a systematic approach to release with decisions regarding its acceptability likely to be highly context-specific.
- 12.10 Moreover, unlike industrial land release, there is no 'surplus' to help offset release and re-provision with the same geographical functionality could not be assumed. MOL is a vital

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<sup>45</sup> Arup, Economic Uses Demand and Supply study (2026)

<sup>46</sup> London Plan Green Belt Strategic Approach Report (2026).

resource for Londoners, improving quality of life through protection of these spaces for sporting and leisure use, heritage value, biodiversity, food growing, and health benefits through encouraging walking, running and other physical activity. Positive management of MOL is essential and will become even more critical as the growth and densification of London continues and places increases demand for these spaces.

- 12.11 While the identified sites may come forward through Local Plans, with London Plan policy adjustments to allow for this where justified, MOL is not judged to be a reasonably plausible or desirable source of supply that can be depended on. Any supply from this source would be treated as a windfall.
- 12.12 No other strategically significant sources of land within London's urban area have been identified that could provide a reasonable alternative to meet the identified shortfall.

### 13. Green Belt

- 13.1 The previous chapters have made a thorough assessment of the scope for increasing the developable housing capacity to meet housing need. However, after careful consideration of the existing supply of large sites and the scope for optimisation, together with increased delivery from small sites, and the release of some industrial land for housing, the identified capacity of c.502,000 homes is still short of the 848,840 which is needed.
- 13.2 The Green Belt Strategic Approach paper details more fully the consideration given to the exceptional circumstances to justify amendments to Green Belt boundaries, concluding that some limited and targeted release of Green Belt land would represent a sustainable way to accommodate a portion of this unmet need.
- 13.3 Further to this conclusion, the maximum deliverable and justifiable green belt supply was established on the basis of a proactive search approach. This followed 5 steps:
- i. Sieving for well-connected locations – station scoring and buffering
  - ii. Discounting land affected by primary constraints and netting off land to meet other needs
  - iii. Applying a density gradient multiplier across remaining land
  - iv. Collating clusters and excluding any without a ‘critical mass’ of capacity
  - v. Establishing plan-period reasonably plausible capacity
- 13.4 Taking these in order, the first step was to develop a positive locational criterion-based sieve in line with the plan’s Good Growth objectives, notably ‘Making Best Use of Land’.
- 13.5 This only captured locations that were within a maximum of 1.2km walk distance of well-connected stations (measured in relation to journey length and service frequency to key employment destination). This was to ensure management of transport network impacts and the ability to assume car-light development, to support higher densities than would otherwise be the case.
- 13.6 As in the brownfield growth components, only committed transport investment was factored into this assessment, or that which could plausibly be delivered within 10 years through a typical scale of developer contributions and ease of implementation (bus services).
- 13.7 The land caught by the sieve then had constraints exclusions applied, as with the Land4LDN approach, reflecting various suitability, availability and achievability considerations. In some cases these were modified to reflect the specific Green Belt context, notably:
- excluding all land affected by medium or high flood risk (in order to be compliant with the national flood risk ‘sequential test’ given the choice of land in the Green Belt);
  - modifying heritage and environmental constraints where these coincided with golf course use (reflecting the potential for development to improve the biodiversity/heritage baseline if this intensive use was removed and a more nature-led/heritage sensitive landscaping and green infrastructure approach undertaken), ensuring optimal assumed use of well-connected land;

- excluding any land currently occupied by development given that there was no systematic way to judge it to be available;
- excluding land affected physical constraints such as roads and watercourses (given that in the green belt we were working land on a top-down basis, not defined sites).

13.8 In addition, 30% of the remaining land area was removed to provide for the delivery of other (non-housing) needs reflected in other plan objectives, including infrastructure such as multi-functional green infrastructure (which may also enable green belt enhancement), climate resilience, biodiversity, employment, and protection of existing heritage assets.

13.9 Following this, density assumptions linked to connectivity scores and distance from the relevant station were applied to estimate potential residential capacity, drawing on case study precedents. These were schemes that reflected the overall compact, landscape-led urbanism vision-concept worked with in London and elsewhere, including sustainable urban extensions delivered through Green Belt release<sup>47</sup>. Densities were assumed to fall away in a gradient as distance from a station increased. Where available, emergent high-level design concept testing/capacity work was also factored in.

13.10 Next, the capacity was broken down into series of clusters reflecting overlapping rail catchments, and each of these was assessed to see whether it met the 'critical mass' benchmark of 3000 units. This was selected to ensure viable place-based propositions able to sustain a range of shops, services and facilities, and focus necessary mitigation and other investment and technical capacity rather than spreading it too thinly. It was also a scale that would be of clear strategic significance, able to make noticeable contributions to other strategic objectives such as environmental enhancement. This process resulted in the identification of 10 clusters that met this threshold, denoted in the spatial strategy as Green Belt residential-led Broad Locations for Growth (BLGs).

13.11 Consideration was then given to how much capacity could be considered to have a reasonable plausible chance of delivery within the first 10 years of the plan. This was approached as follows:

- Assuming delivery from year 4 of the plan, allowing for the green belt release and development to be plan-led and optimised.
- Assuming a maximum of 1,000 units a year per BLG – highly ambitious but grounded in various actually achieved settlement-scale rates<sup>48</sup>.
- Factoring in an allowance (discount resulting in re-phasing) for viability in areas where it was known to be challenging, for known availability issues (such as legal

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<sup>47</sup> [Green Belt Strategic Approach, 2026](#). Annex B – Residential Case Study Extracts provides a summary of key design parameters and transport accessibility observed across the precedent schemes reviewed.

<sup>48</sup> Achieved in some of the third wave New Towns (Northampton, Peterborough, Milton Keynes), [https://github.com/CentreforCities/local\\_housebuilding\\_1946\\_2023/blob/1fad8ffd787583785d211964a7a1a5bb92bff1d9/4.%20New%20towns%20housebuilding%20data%201950-1993/New\\_Towns\\_workbook\\_1950\\_1993\\_CfC\\_release\\_2025\\_01\\_20.xlsx](https://github.com/CentreforCities/local_housebuilding_1946_2023/blob/1fad8ffd787583785d211964a7a1a5bb92bff1d9/4.%20New%20towns%20housebuilding%20data%201950-1993/New_Towns_workbook_1950_1993_CfC_release_2025_01_20.xlsx)

agreements) and where unknown, the likelihood of design/assessment-led moderation of deliverable capacity extents.

- Applying viability discounts of a maximum of 20 per cent to account for the likely impact of value-building through masterplan-led place-making and new build premiums, and the expected degree of (necessary high) levels of public sector intervention<sup>49</sup> and expectations around housing mix and public sector intervention.

13.12 Assuming that the very process of identifying BLGs in a strategic plan would help make land available, on the basis that it is reasonable to assume some / much of it would already be optioned.

13.13 Overall, this methodology has identified an additional capacity of just over 56,000 units to be the maximum reasonably plausible with the 10-year (target setting) period. The distribution of this by BLG and LPA is set out in Table 13-1 below.

13.14A further 7 potential 'future candidate' BLGs and additional developable land around 6 BLGs were also identified where land should be 'safeguarded' for future potential capacity, contingent on the unlocking of this land through longer term transport investment. These are discussed further, along with remaining capacity (associated with existing transport connectivity) phased beyond 10 years, in Chapter 14.

Table 13-1: Housing capacity associated with Green Belt Broad Locations for Growth

| Broad Location          | 10 year reasonably plausible capacity | Longer term capacity (transport investment contingent)? | LPA and capacity split where BLG is cross boundary |
|-------------------------|---------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| Crews Hill & Chase Park | 7,000                                 | Yes                                                     | Enfield                                            |
| Croydon-New Addington   | 5,600                                 | Yes                                                     | Croydon                                            |
| East of Ickenham        | 7,000                                 | No                                                      | Hillingdon                                         |
| Eastern Hainault Loop   | 5,400                                 | Yes                                                     | Redbridge                                          |
| Harold Park             | 4,000                                 | No                                                      | Havering                                           |
| Mill Hill & Barnet      | 7,000                                 | Yes                                                     | Barnet                                             |
| Northwood               | 7,000                                 | No                                                      | Hillingdon (3850)/ Harrow (3150)                   |
| Dagenham                | 3,200                                 | No                                                      | Barking & Dagenham (1140)/ Havering (2060)         |
| Upminster               | 6,000                                 | Yes                                                     | Havering                                           |
| West Ruislip            | 3,900                                 | Yes                                                     | Hillingdon                                         |
| <b>Total</b>            | <b>56,100</b>                         | -                                                       | -                                                  |

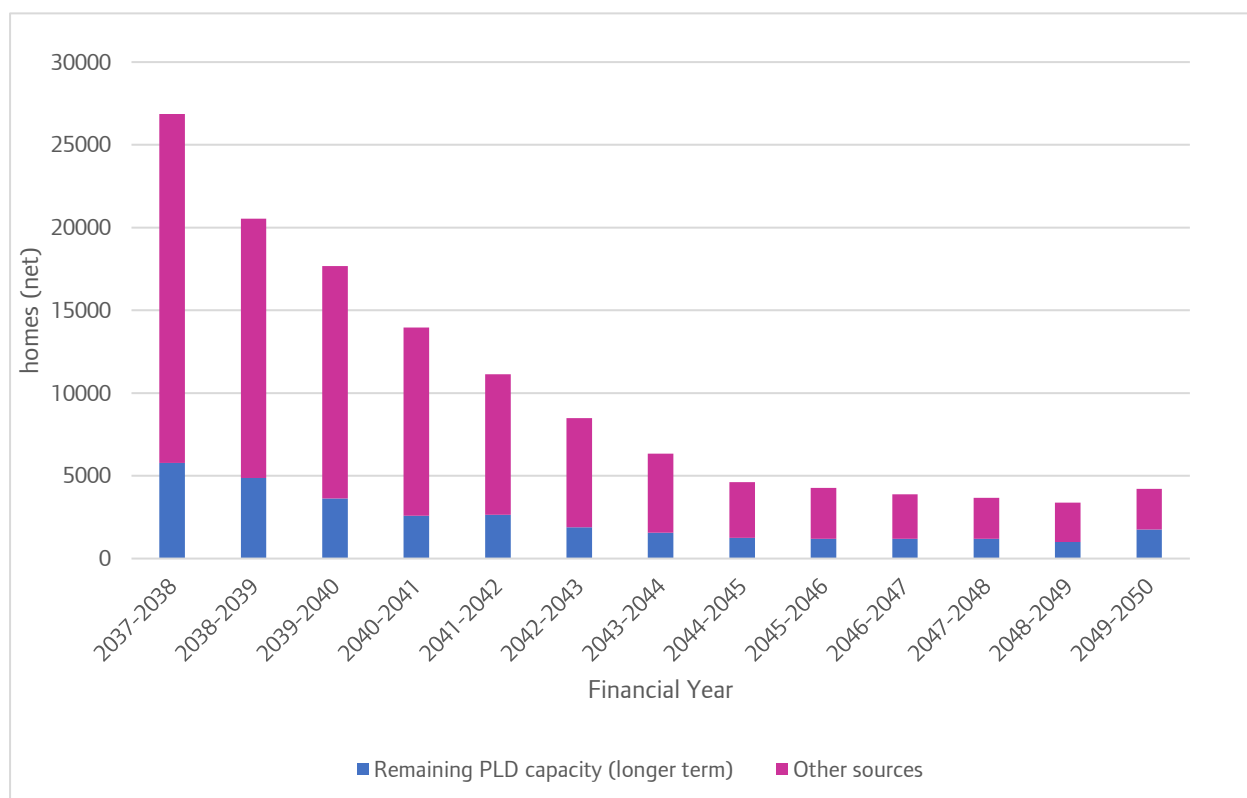
<sup>49</sup> See the London Plan Viability Study (2026)

## 14. Longer-term capacity

- 14.1 The SHLAA has so far made an assessment of the developable land supply which has been focused principally on the 10-year target setting period to be taken forward in the draft new London Plan. However, over the longer term it is likely that additional supply can be brought forward.
- 14.2 This is drawn together from several sources:
- Remaining capacity which is phased beyond 2036/37.
  - Additional capacity from sites which have been discounted due to viability.
  - Additional capacity unlocked through new transport investment opening up further sustainable locations in the Green Belt.
  - Additional capacity from increases to expected densities linked to transport improvement.
  - Continuation of delivery rates on small sites.
- 14.3 The following sections make an estimate of the approximate scale of delivery which remains from the above sources, acknowledging the reduced specificity and certainty which can be attached to the delivery programme as the forecasting period is extended (although greater assumptions can be made around scope for improvements e.g. viability and transport).
- Remaining capacity from large sites with phasing plans beyond 2036/37
- 14.4 The phasing applied to some of the sites identified in the large sites capacity takes part or all of their delivery outside the reference 10-year period.
- 14.5 The majority of this capacity is from sites which do not yet have planning permission, however a significant minority of capacity (just under 25%) is from the later phases of schemes which already benefit from planning permission but have a programme which extends for 10+ years, reflecting realistic build out rates.

Table 14-1: Remaining capacity from sites with long-term phasing

| Source        | Remaining capacity |
|---------------|--------------------|
| PLD           | 30564              |
| Other sources | 98486              |
| <b>Total</b>  | <b>129050</b>      |



1.1 Figure 14-1: Assumed trajectory of delivery for capacity on sites with long term phasing plans

#### Remaining capacity from viability discounting

- 14.6 The viability study results which were applied to inform the discounts to capacity were based on application of current costs and values for the initial five years, and an improvement through relative value growth and changes to costs for the second five-year period.
- 14.7 Beyond this period, further changes will likely influence the extent to which the typologies which are assessed as unviable or marginal may recover.
- 14.8 Phase 2 of the LPVS will undertake additional modelling to consider the extent to which this recovery may be likely to occur and look at the potential for future transport interventions and large-scale regeneration to alter the results.

| Viability result in initial 10Y period | Remaining capacity |
|----------------------------------------|--------------------|
| Marginal                               | 13717              |
| Unviable                               | 209412             |
| <b>Total</b>                           | <b>223129</b>      |

Table 14-2: Remaining capacity from sites which are viability discounted in initial 10Y

- 14.9 The remaining capacity which is available to potentially be delivered across the period subject to viability improvements is 223,129 homes, or c.17,000 per annum for the remainder of the period to 2050.

Longer term capacity from improved connectivity

14.10 As referenced above, future transport improvements are likely to be an important part of unlocking the delivery of some of the currently marginal or unviable locations through improvements to values in these areas.

14.11 The improvements to connectivity will also translate into increases in assumed scheme density on large sites, through application of the Optimisation Framework, and a moderate increase in the potential capacity to come from small sites, as the improved connectivity and shift in the SAM score adjusts the assumed rate of delivery.

14.12 These increases are not extensively quantified here but estimated at an additional c.5-10% increase in capacity. Further work is needed to define the schemes and assess the transport connectivity uplift which would result.

Longer term capacity from Green Belt release

14.13 The phasing assumptions employed as part of the assessment of what a realistic rate of delivery would be at the scale of a new settlement or urban extension have capped the contribution from the initially assessed sustainable locations which are not reliant on infrastructure improvements which are not yet funded or at an advanced stage of planning.

14.14 There is a further 28,000 homes which is supportable by the existing transport infrastructure or enhancements which are considered to be reasonably plausible to deliver in this initial period. A range of site-specific factors will influence which plots are anticipated to deliver first, and it is expected that issues which relate to availability, and in some cases achievability will be resolved over the initial 10-year period. This includes strategies being developed which address the requirements on specific sites, for instance alternative acceptable mitigations being established that releases well-connected land from legal covenants.

Table 14-3: BLGs with additional capacity in delivery from initial period

| Broad Location          | Additional capacity from reasonably plausible BLGs in delivery from Y1-10 |
|-------------------------|---------------------------------------------------------------------------|
| Crews Hill & Chase Park | 7,000                                                                     |
| Croydon-New Addington   | 1,400                                                                     |
| East of Ickenham        | 2,900                                                                     |
| Eastern Hainault Loop   | 1,359                                                                     |
| Harold Park             | 975                                                                       |
| Mill Hill & Barnet      | 700                                                                       |
| Northwood               | 6,354                                                                     |
| Dagenham                | 700                                                                       |
| Upminster               | 1,572                                                                     |
| West Ruislip            | 5,064                                                                     |
| <b>Total</b>            | <b>28,024</b>                                                             |

- 14.15 Consideration has been given to identification of the land which may serve the longer-term development needs beyond the initial 10-years and across the rest of the Plan period. Collaboration between the GLA and TfL has identified a range of potential medium and long-term transport improvements which could enhance the connectivity of London's Green Belt.
- 14.16 Medium-term (conceptual) improvements were defined as those which could plausibly be delivered within 15 years and cost in the range of tens to hundreds of millions of pounds and could include concepts such as the addition of new infill stations on existing rail lines. Long term improvements were defined as much higher ambition concepts which would be highly challenging, likely taking more than 15 years to deliver and/or potentially costing many hundreds of millions of pounds. This included the extension of rail lines into new areas of the Green Belt or the creation of new rapid transit services.
- 14.17 Such transport investment is currently at a 'concept only' stage of development that has undergone high level feasibility analysis. As such it is individually (by broad location) reasonably plausible over the longer term, but in order to be considered deliverable in years 10-20 there would need to be substantial progress made in moving from concept to business case and funding commitment towards delivery. It is highly unlikely that all transport concepts could achieve this in parallel.
- 14.18 An initial assessment of the capacity which could potentially be delivered on land which is unlocked through such schemes proposes an additional capacity of around 90,000 homes. This is an initial estimate which is to be taken with a high degree of caution. Nonetheless, this identifies the locations and associated capacity which would be the best candidates, according to the analysis undertaken to locate further green belt capacity across the remainder of the plan period. This highlights the importance of a look ahead, as progress to define plausible schemes and move towards delivery needs to happen in years 1-10 if this additional supply is to be unlocked.
- 14.19 These potential future improvements have therefore been considered when identifying broad locations for growth, recognising that development delivered during the Plan period may help strengthen the case for future transport investment.
- 14.20 Beyond year 20 there may also be additional reasonably plausible land associated with Crossrail 2, should that scheme be progressed. This is accounted for with the same safeguarding expectations for land that could be reasonably plausibly associated with 10-20-year transport improvements but has no estimates of capacity associated with it at this stage.

Projecting forward continuing delivery of small sites capacity

- 14.21 The small sites contribution has been estimated on an annual basis, applying assumptions about rates of development to a fixed stock of suitable development opportunities. Where the rates of development exceed 5% per annum, the projected rates will exceed the available stock in the second 10-year period of the plan.
- 14.22 As the total stock of suitable sites dwindles, the remaining sites are likely to be less attractive for redevelopment, as rational developers will prefer to develop the sites which present the best returns first.
- 14.23 Factoring in the reduction to total stock and assuming similar rates of development, a continuing trend of c.12,000 per annum is assumed.

14.24 However, transport investment is likely to improve values and unlock further delivery in particular locations. If this is secured, we consider it likely that the assumed delivery of c.13,700 homes per annum can be sustained.

What would this level of additional future supply look like

14.25 Recognising the high level of housing need in London and that this will continue<sup>50</sup>, the identified housing need of 848,840 is projected to be met beyond the initial ten-year period drawing together additional supply from the range of sources and assumptions outlined above. This is currently estimated to be at some point in the 2041-42 financial year.

This requires delivery to continue across the next 5 years from 2037 at sustained high levels and gives time for the infrastructure which will unlock additional growth capacity to be committed and progress towards delivery. The following trajectory is presented as an indicative projection of the scope for future housing supply identified through the SHLAA.

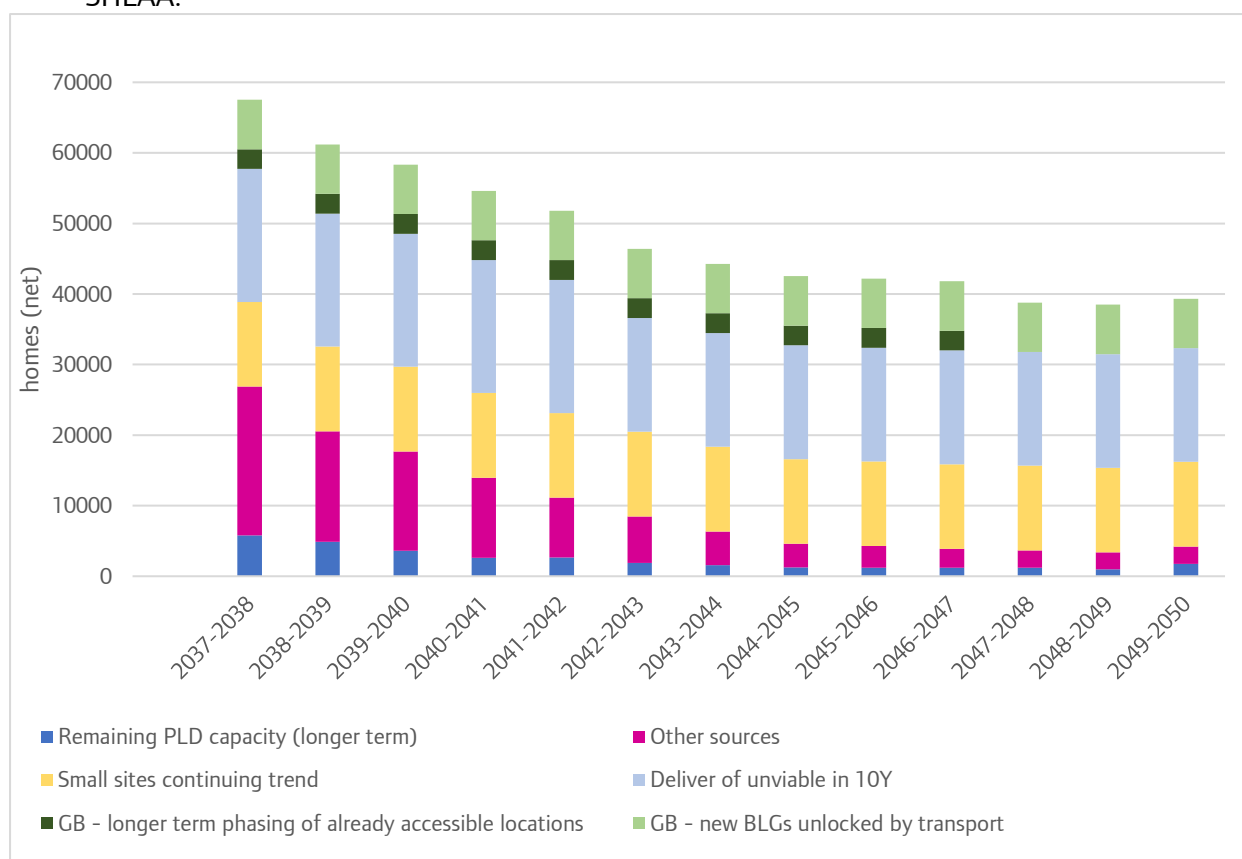


Figure 14-2: Indicative development trajectory beyond 2037

<sup>50</sup> The standard method calculation would result in a minimum of 30,836 new homes required if there was no affordability adjustment made, based on current stock. There is various evidence about the extent to which a supply shock may exert downward pressure on prices, but delivering at 55,800 per annum is estimated to require 20-30 years to meaningfully reduce prices (authors calculations, cf. [Buchholz, et al. 2026](#)).

- 14.26 The average annual delivery rates assumed fall across the high 50,000-low 60,000 range, which is around the maximum level which it is considered to be plausible to deliver at, given the current development model.
- 14.27 London has not built over 80,000 homes in any single year since the 1930s, when a combination of public and private housebuilding briefly exceeded 80,000 completions. In recent decades, annual delivery has averaged between 30,000 and 40,000 homes.
- 14.28 To go beyond this will require a step change in delivery and many factors therein, including a recovered private housebuilding market, bolstered by new sources of supply, diversifying the type of product available and its location. It is reasonable to expect that it would also require a significant step up in public sector delivery, both direct and other models.

## 15. Conclusion

15.1 This chapter brings together the findings outlined through the report and concludes on the total housing capacity which makes up the overall 10-year housing requirement for LPAs.

15.2 Overall, the SHLAA shows that during the 10-year period from 2027/28 to 2036/37 there is a developable housing capacity of 558,451 homes across London.

15.3 This is drawn together from:

- the current stock of residential permissions, comprising the largest component of the identified developable supply,
- the remaining stock of other large sites as assessed through the Land4LDN platform and discounted to reflect likely viability conditions across the period, the
- the contribution from small sites modelled based on an uplift in rates beyond historic windfall to account for the anticipated effects of policy interventions,
- a further component of supply from the proactive, plan-led release of well-connected industrial sites, and
- limited release of Green Belt in sustainable locations.

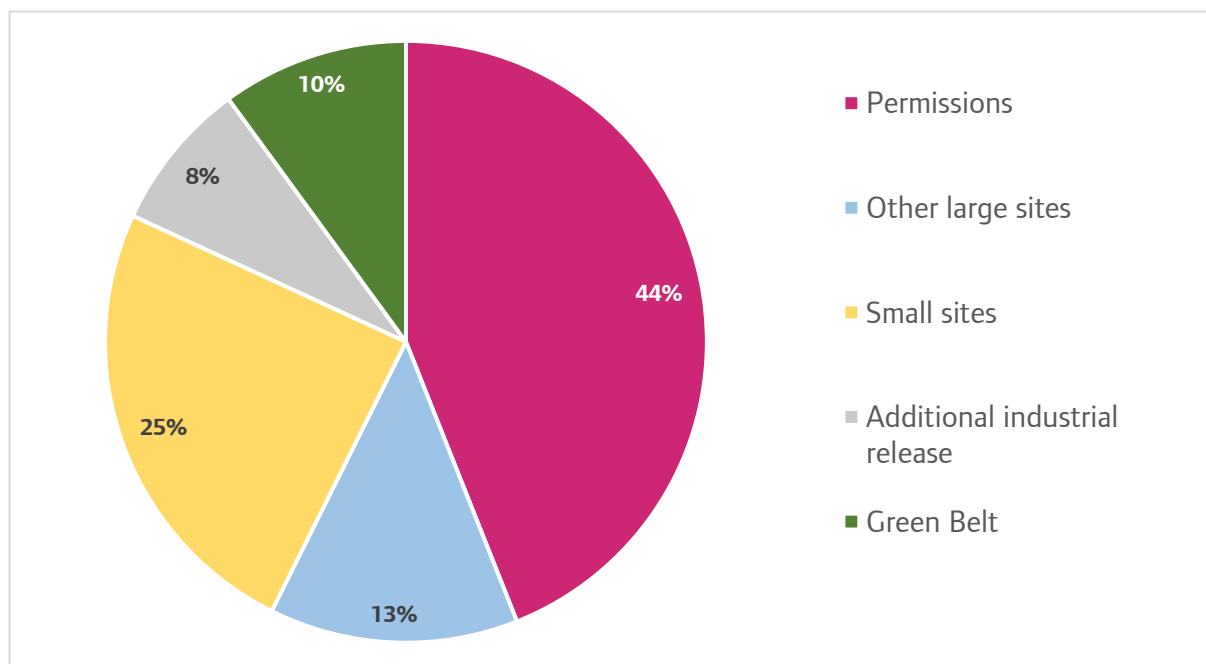


Figure 15-1: Components of developable supply from 2027/28-36/37

15.4 The identified developable supply for the 10-year period represents a slight uplift in overall capacity as compared to the current 2021 London Plan target of 522,870 homes (a 6.8% increase) - but a much more significant uplift from current levels of delivery.

- 15.5 The longer-term capacity outlined in chapter 14 demonstrates that London has a notional capacity which can be identified to exceed the 848,840 homes needed<sup>51</sup>, but there are binding constraints to delivery in the initial ten-year period.
- 15.6 These include current market conditions, in addition to the need for further transport investment, and a range of economic and practical factors governing build-out rates and delivery programmes on specific sites. So, the approach taken in this report has been to only assume what is considered to be developable over the ten-year period in question on the grounds of best available evidence. However, we have set out a potential trajectory beyond this to seek to address the overall need.
- 15.7 The SHLAA provides a credible estimate of what the capacity of developable land might be able to deliver for London over the period 2027/28 to 36/37. However, in doing so, it nonetheless anticipates considerable change in planning policy and processes which will need to be incorporated in a revised suite of Local Plans as well as in the London Plan. It is also reliant, as the viability evidence and analysis of aggregate deliverability makes clear, on increasing public sector involvement in housing delivery and a number of other interventions.
- 15.8 The following tables (overleaf) provide a summary of the consolidated findings across LPAs and all sources of supply which contribute to the ten-year developable housing capacity.

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<sup>51</sup> With reference to the standard method, SHMA, 2026

Figure 15-2: Housing capacity by LPA (all sources) 2027/28 to 2036/37

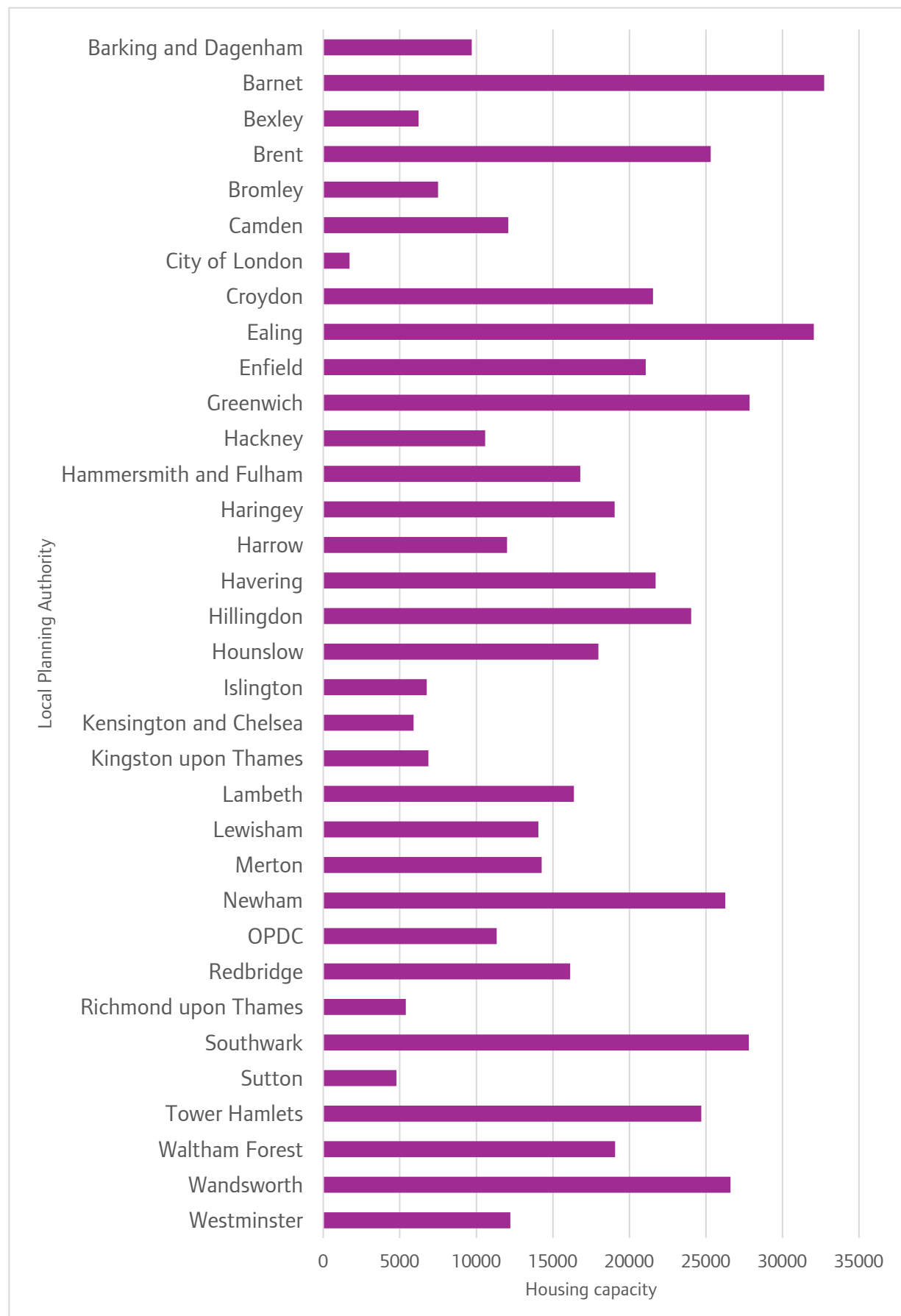


Table 15-1: Housing capacity by LPA (all sources) 2027/28 to 2036/37

| LPA                    | Housing Capacity 2027/28 to 2036/37 |
|------------------------|-------------------------------------|
| Barking and Dagenham   | 9698                                |
| Barnet                 | 32730                               |
| Bexley                 | 6217                                |
| Brent                  | 25316                               |
| Bromley                | 7507                                |
| Camden                 | 12085                               |
| City of London         | 1716                                |
| Croydon                | 21544                               |
| Ealing                 | 32054                               |
| Enfield                | 21062                               |
| Greenwich              | 27850                               |
| Hackney                | 10584                               |
| Hammersmith and Fulham | 16784                               |
| Haringey               | 19030                               |
| Harrow                 | 12010                               |
| Havering               | 21712                               |
| Hillingdon             | 24030                               |
| Hounslow               | 17975                               |
| Islington              | 6768                                |
| Kensington and Chelsea | 5904                                |
| Kingston upon Thames   | 6872                                |
| Lambeth                | 16370                               |
| Lewisham               | 14052                               |
| Merton                 | 14272                               |
| Newham                 | 26260                               |
| Redbridge              | 16130                               |
| Richmond upon Thames   | 5397                                |
| Southwark              | 27799                               |
| Sutton                 | 4781                                |
| Tower Hamlets          | 24704                               |
| Waltham Forest         | 19070                               |
| Wandsworth             | 26609                               |
| Westminster            | 12224                               |
| OPDC                   | 11335                               |

Figure 15-3: Housing capacity by LPA and source of supply 2027/28 to 2036/37

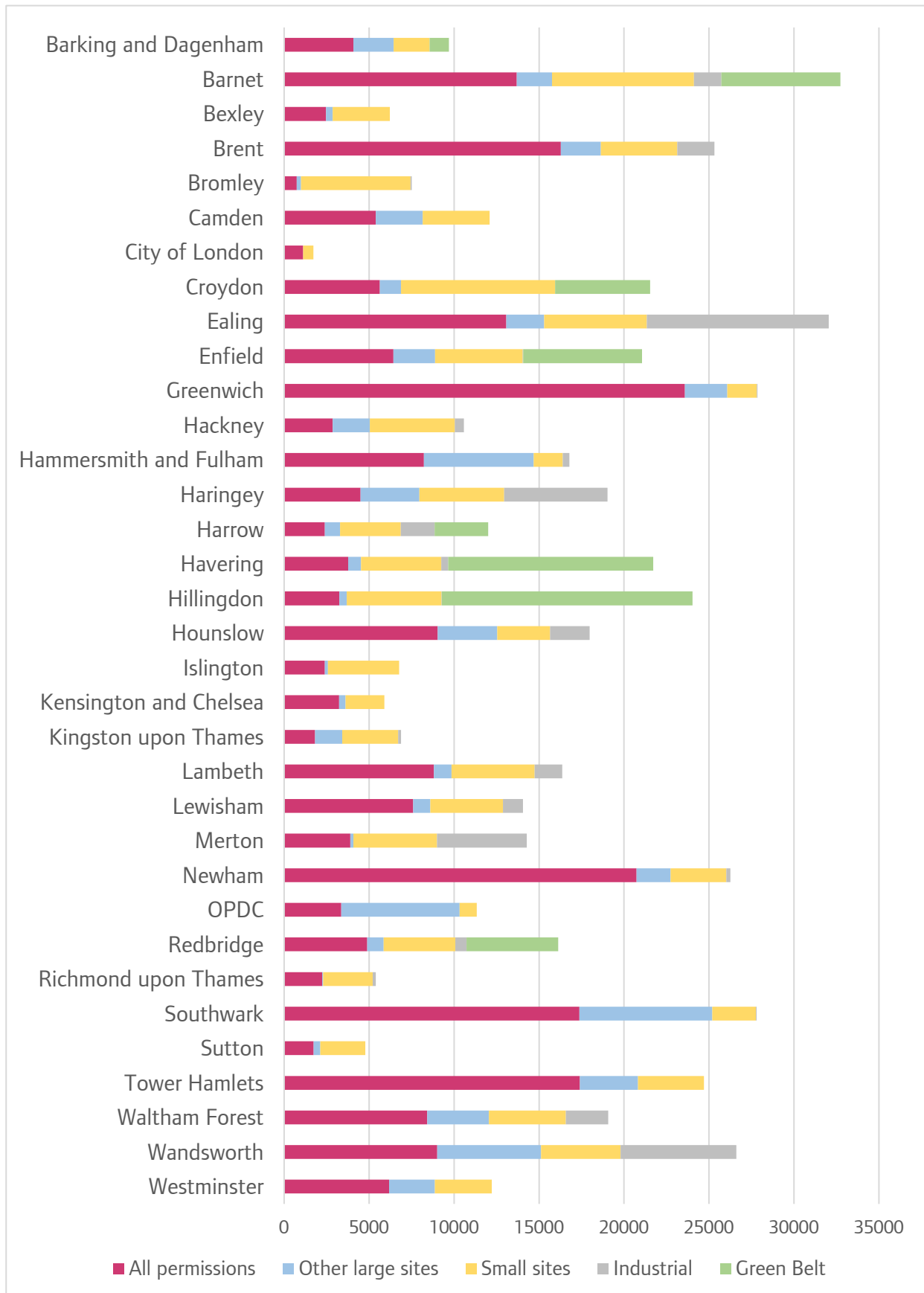


Table 15-2: LPA components of developable housing capacity (2027/28 to 2036/37, rounded)

| LPA                    | All permissions | Other large sites | Small sites | Industrial | Green Belt |
|------------------------|-----------------|-------------------|-------------|------------|------------|
| Barking and Dagenham   | 4081            | 2369              | 2108        | 0          | 1140       |
| Barnet                 | 13696           | 2067              | 8355        | 1612       | 7000       |
| Bexley                 | 2460            | 403               | 3355        | 0          | 0          |
| Brent                  | 16288           | 2344              | 4498        | 2186       | 0          |
| Bromley                | 741             | 259               | 6433        | 74         | 0          |
| Camden                 | 5399            | 2756              | 3931        | 0          | 0          |
| City of London         | 1115            | 0                 | 601         | 0          | 0          |
| Croydon                | 5627            | 1247              | 9070        | 0          | 5600       |
| Ealing                 | 13078           | 2224              | 6041        | 10711      | 0          |
| Enfield                | 6436            | 2450              | 5155        | 21         | 7000       |
| Greenwich              | 23579           | 2499              | 1737        | 35         | 0          |
| Hackney                | 2861            | 2180              | 5000        | 544        | 0          |
| Hammersmith and Fulham | 8223            | 6457              | 1717        | 388        | 0          |
| Haringey               | 4499            | 3457              | 4987        | 6087       | 0          |
| Harrow                 | 2400            | 898               | 3573        | 1989       | 3150       |
| Havering               | 3772            | 753               | 4722        | 405        | 12060      |
| Hillingdon             | 3243            | 445               | 5571        | 21         | 14750      |
| Hounslow               | 9041            | 3498              | 3115        | 2321       | 0          |
| Islington              | 2397            | 178               | 4193        | 0          | 0          |
| Kensington and Chelsea | 3241            | 368               | 2295        | 0          | 0          |
| Kingston upon Thames   | 1813            | 1602              | 3290        | 167        | 0          |
| Lambeth                | 8820            | 1025              | 4891        | 1634       | 0          |
| Lewisham               | 7590            | 1016              | 4268        | 1178       | 0          |
| Merton                 | 3898            | 173               | 4919        | 5282       | 0          |
| Newham                 | 20737           | 2006              | 3276        | 240        | 0          |
| OPDC                   | 3363            | 6962              | 1010        | 0          | 0          |
| Redbridge              | 4892            | 963               | 4214        | 660        | 5400       |
| Richmond upon Thames   | 2239            | 58                | 2919        | 181        | 0          |
| Southwark              | 17371           | 7819              | 2572        | 36         | 0          |
| Sutton                 | 1734            | 390               | 2658        | 0          | 0          |
| Tower Hamlets          | 17397           | 3421              | 3886        | 0          | 0          |
| Waltham Forest         | 8423            | 3622              | 4525        | 2500       | 0          |
| Wandsworth             | 9003            | 6121              | 4678        | 6807       | 0          |
| Westminster            | 6185            | 2689              | 3351        | 0          | 0          |