

MAYOR OF LONDON

Roger Evans AM

Chairman of the London Assembly
City Hall
The Queen's Walk
More London
London SE1 2AA

Our ref: MGLA090215-8716

Date: 26 February 2105

Dear Roger

London Assembly (Plenary) meeting 6 February 2015 – Motion: Further Alterations to the London Plan

I refer to the letter of 6 February from the Head of Committee and Member Services regarding the motion on the Further Alterations to the London Plan (FALP) agreed by the Assembly at its plenary meeting of 6 February 2015 under the provisions of section 60 of the GLA Act 1999 (as amended).

I would also like to thank the Assembly for its full and careful consideration of the alterations, and for deciding not to seek to reject FALP under section 42B of the Act.

The motion raises a number of issues in the Further Alterations to the London Plan (FALP) of concern to the Assembly – on housing supply, opportunity areas, town centres, industrial land use, open space, exposure to air pollution, waste and lifetime homes – and then makes formal section 60 proposals for each issue.

 I confirm that I have given full consideration to the Assembly's motion through the Mayor's decision form on publishing the FALP (MD1450) which I signed today. My intention is to publish the FALP on 10 March 2015. I am aware that the formalities of section 45(2) of the Act obligate me to respond to your formal section 60 proposals in my next Mayor's Question Time report, but as the next MQT does not take place until 25 March – i.e. after FALP is released – I consider it that it might be helpful to respond now. I will of course also respond formally in my MQT report.

Therefore, I would like to take this opportunity to respond both to the specific points raised by the Assembly, to the underlying concerns which gave rise to them and to the specific section 60 proposals made. My responses are set out below in 'question and answer' form – this makes for a somewhat lengthy letter but I hope gives a fuller understanding of why I have changed the Plan in the way I have. Sir Edward Lister

summarised this in his speech to the Assembly and in answering its questions on the matter.

Housing Supply

This Assembly notes with disappointment that the Further Alterations to the London Plan's (FALP) annual housing target fails to meet the need identified by the Mayor's own evidence base. The annual housing target of 42,000 falls short of the annual need of 49,000–62,000 identified by the evidence, thereby failing to satisfy the National Planning Policy Framework (NPPF) requirement to fully meet objectively assessed local housing need¹. Moreover, the FALP fails to give strategic direction to the boroughs on how to make up this gap.

S.60 proposal

Revise the FALP's annual housing target upwards – from 42,000 to 49,000 – in accordance with the minimum level of demand determined by the SHMA and in order to ensure that the revised London Plan is compliant with the NPPF.

I am sorry that the Assembly feels that the FALP is not designed to meet London's housing needs. That is not the case and the Assembly must be assured that the Alterations are designed to address this important principle of national planning policy. They do this as a broad strategic plan covering the largest housing market area in the country rather than as a more specific local plan with a limited market area. The latter interpretation of the NPPF may have influenced the Assembly's view. However, it would not be appropriate in addressing the unique circumstances of London and would not best serve the interests of Londoners. Government has accepted my approach in this.

On specifics, the 62,000 pa need figure referred to by the Assembly illustrates the level of provision which would be required to meet need, including the backlog of need, in ten years. The Inspector and Government accepted that in light of historic and potential future supply it would not be realistic to adopt this as a formal target. I do however think it is a useful indication of the scale of need which London should aspire to address over and above the 49,000 pa figure in order to meet need as soon as possible.

The 49,000 pa figure identifies the scale of need, including the backlog, annualised over 20 years. It provides a practical needs based target which can be addressed realistically by a combination of the 42,000 pa minimum supply target based on the SHLAA, and rigorous new policies which are designed to bring forward additional capacity from appropriate locations where higher density development is encouraged – these include some town centres, Opportunity Areas, other large housing sites and surplus industrial land with good public transport accessibility. The SHLAA and work for the EIP showed that anticipation of an additional increment to capacity from these sources is realistic – indeed London has already been approving capacity for some 58,000 dwellings a year. Government has accepted this assessment.

If the FALP is read as a whole, and in particular, when the cross references between Policies 3.3 (housing supply) and 3.8 (need) are taken into account, the Alterations

¹ National Planning Policy Framework, paragraph 47.

clearly provide strategic direction to the boroughs 'on how to make up this gap' (that arising from the local expression of the strategic 42,000 supply and 49,000 need figures). Each Borough is required to assess its local and strategic needs and if there is a gap between this figure and its supply figure set out in Table 3.1 it must demonstrate how it will seek to address the gap through its local plan in the context of overall London Plan policy. Supplementary Planning Guidance will be provided on this process and the way boroughs address it will be an important consideration when assessing whether local plans are in General Conformity with the London Plan.

The FALP tenure split target – which gives a numerical target of 17,000 affordable homes per year² – falls significantly below London's needs and threatens to undermine the prospect of socially and economically mixed communities. The Mayor's evidence base, the London Strategic Housing Market Assessment (SHMA), is clear that 52% of all new dwellings must be affordable housing in order to meet demand in the capital³.

S.60 proposal

Uprate the tenure split on new developments from a numerical target of 17,000 to a percentage target of 52% of all new dwellings, in order to meet the level of demand determined by the SHMA.

I agree with the Inspector that there is a significant challenge in addressing the gap between the identified need for affordable housing (26,000 pa) and the affordable housing minimum supply target (17,000 pa). However, as is required by the NPPF and as was acknowledged by the Inspector, the 17,000 figure represents a realistic target in terms of currently anticipated resources. It is also 30% higher than that in the 2011 Plan. I am working with government and others to increase affordable housing investment, not least through greater devolved revenue raising powers, and by increasing overall private sector housing output so that this can contribute further to affordable provision.

The NPPF is clear that viability must be a key consideration in seeking affordable housing contributions. This is not just a matter of the overall quantum of resources available for London as a whole – account must also be taken of the local circumstances where they are invested. It is not meaningful and indeed can be counter-productive to seek to impose a top down, percentage based strategic target across the spectrum of sites in a city the size of London. If percentage based targets are to be used then, as the London Plan already makes clear, it is more meaningful for them to be applied at borough level. For strategic planning purposes, and for Londoners, the key parameter in a strategic target is the amount of affordable housing sought rather than a proportion.

Opportunity Areas

This Assembly welcomes the 35,000 homes and 60,000 jobs that the capital's new Opportunity Areas have the potential to create. However, we are concerned by the lack of progress that has been achieved on a significant number of the existing Opportunity Areas⁴. Designation as an Opportunity Area should not automatically mean tall buildings are allowed, and we note that the independent planning inspector indicates that high

² FALP Policy 3.11.

³ SHMA Table 19.

⁴ GLA website, [Location of London's Opportunity and Intensification Areas](#).

densities can be achieved without high rise. This Assembly is also concerned that prioritising housing over employment, as suggested in FALP paragraph 2.62⁵, undermines the concept of Opportunity Areas as becoming sustainable communities providing not just places to live but local jobs, retail, and services for residents.

S.60 proposal

Introduce a Key Performance Indicator to ensure Opportunity Areas are provided with timely planning frameworks developed with genuine community consultation.

S.60 proposal

Revise FALP paragraph 2.62, to reflect the fact that Opportunity Areas should help form sustainable communities. They should provide higher than existing levels of affordable housing and more employment opportunities for local people, as well as retail and services for residents.

Substantial progress has been made in preparing Opportunity Area Planning Frameworks (OAPFs). In all, planning frameworks of different sorts have been completed for 21 of the 38 Opportunity Areas identified in FALP. In 2014/15 OAPFs were adopted for Southall and Euston, and consultation draft Frameworks were published for the City Fringe and London Riverside. My officers are working with boroughs on seven others (Bexley, Isle of Dogs, Royal Docks, Old Kent Road, Old Oak Common, Harrow & Wealdstone and Bromley town centre) and engaging with Haringey, Kingston, Hounslow and Sutton on four more which were proposed during the FALP preparation process. A KPI to measure progress on preparing OAPFs is unnecessary as information on this is already recorded in the London Plan Annual Monitoring Report.

The London Plan already makes clear that high density development does not have to mean high rise. In stating that “to ensure that housing output is optimised, employment capacities should, if necessary be reviewed in light of strategic and local employment projections”, FALP is clearly not prioritising housing over employment. The Alterations are following the prudent and well established London Plan dictum to “plan, monitor and manage” London’s limited land supply so that it is used in the most effective way. FALP Annex 1 outlines how individual Opportunity Areas should be planned to accommodate a range of uses which will support locally sustainable communities as well as contribute to wider strategic objectives. The proportion of affordable housing is most effectively assessed in terms of local viability and supporting infrastructure requirements are already identified through local Development Infrastructure Funding (DIF) studies.

Town Centres

This Assembly welcomes the changes to the town centres policy proposed in the FALP – specifically the potential for increased housing density and the benefits that this will bring to the business community and social life of the capital’s struggling high streets. However, this Assembly is concerned that major and district centres will be undermined if the policy is not implemented along with complementary measures to revitalise the town centres.

⁵ FALP paragraph 2.62 directs that employment allocations should not fossilise housing potential.

S.60 proposal

Revise the FALP to make it explicit that opportunities for high-density residential development should only be pursued where these will contribute to the revitalisation of town centres.

I welcome the Assembly's support for FALP's new policy 2.15 on town centre renewal. The purposes of the policy are twofold and do address the Assembly's concern over vitality: it will enable boroughs and other partners to address the challenges posed by changing patterns of consumer behaviour by encouraging and enabling their renewal for a range of business and community functions through higher density, housing led mixed use re-development which will also help to meet London's pressing housing needs. The expression of this strategic policy will vary depending on local circumstances, but in general terms it is anticipated that the higher value of the new housing will enable the replacement of lower floors for a mix of commercial and community uses in modern premises set in a street environment attractive to this new mix of town centre activities. Viability will be a key consideration in determining this mix.

Industrial Land Use

This Assembly is concerned that the release of industrial land poses a serious threat to London's future economic growth. Forfeiting too much of our industrial land will lock London into a post-industrial state too dependent on shock-susceptible financial and business services. If London is to develop an industrial base, such as in the secondary materials economy or clean-tech and increasingly logistics, it must provide the land for these types of firms to emerge.

S.60 proposal

Define surplus in FALP paragraph 2.85 to make clear that industrial land should not be considered surplus so long as there remains the potential for that site to be used for industrial purpose and only where effort has been made to make the land viable for a wide range of industrial uses.

I share the Assembly's concerns over the pressures on London's limited stock of industrial land. The FALP has updated the policy framework to carefully manage the release of surplus industrial space. Detailed guidance on its implementation (including definitions) is properly given in the Land for Industry and Transport SPG rather than the body of the Plan itself, including the release processes and mechanisms to which the Assembly refers.

Open Space

This Assembly notes with concern that Policy 2.18 Green Infrastructure: The Multifunctional Network of Green Spaces has been weakened so that there is no longer a requirement to meet deficiency in open space. This is particularly worrying as open spaces are coming under huge development pressure.

S.60 proposal

Changes to Policy 2.18 should be reversed so that deficiencies in open space must be met.

I share the Assembly's concerns over potential pressures on London's green spaces and wish to reassure it that Policy 2.18 has been clarified but has not been weakened. It makes clear that green infrastructure strategies are, *inter alia*, intended to plan positively for the protection of such infrastructure and to identify areas of deficiency and priorities in addressing them. This is complemented by Policy 7.18 on protecting open space and addressing deficiency.

Evidence presented to the Assembly Planning Committee on 28.1.14 suggested that policy to protect open space is working well – despite potential pressures, London is losing only 0.02% pa of its open space.

Exposure to Air Pollution

This Assembly notes that Policy 7.14 Improving Air Quality provides the basis for the Mayor to address air pollution in development applications through seeking to minimise increased exposure to existing poor air quality.⁶

However, the alterations proposed do not put sufficiently strong barriers in place to protect the most vulnerable. For example, it may still be possible for a new school to open on a very highly polluted road, when a less polluting site is available. The same could apply to the elderly and unwell.

S.60 proposal

Strengthen the air quality provisions currently included in the London Plan, strongly discouraging the provision of new schools, care homes or health clinics near existing air pollution hotspots when a less polluted site is available, as recommended by the House of Commons Environmental Audit Committee in its recent report 'Action on Air Quality'

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Just as a matter of process it should be noted that the Further Alterations were not a comprehensive review of the Plan and did not propose any changes to Policy 7.14. To take the Assembly's suggestions on board at this stage would require that publication of the Alterations be delayed while they are subject to a further round of consultation and the Examination in Public is re-opened. Work on a full review of the Plan has already begun and it is more effective to consider the Assembly's suggestions as part of that process.

Waste

This Assembly welcomes bringing forward the target date for managing all of London's waste within London. However, we are concerned that the waste management policies will make this nearly impossible without relying on new and replacement incineration facilities, which would crowd out recycling and the development of the secondary

⁶ FALP Policy 7.14.

materials economy. We note with concern that the threshold set for the new carbon intensity floor would allow such facilities to be given planning permission.

S.60 proposal

The recycling targets must be increased in order to realistically achieve the target of managing all of London's waste within London. London has too much incineration capacity for its future waste arising and therefore incineration capacity should be reduced as older facilities go offline. The carbon intensity floor threshold must be decreased now to rule out all new and/or replacement incineration facilities under this London Plan. There is already too much incineration capacity in the capital; for example, Defra figures show that 42% of municipal waste was incinerated in 2013-14, while para 5.70 of the FALP states that 85 per cent of household waste is recyclable.

I welcome the Assembly's support for bringing forward the target date for managing London's waste within its boundaries. In response to the Assembly's concerns over incineration, it should be noted that Policy 5.17 introduces the carbon intensity floor, and in the supporting text to Policy 5.17 at paragraph 5.85A the Plan explicitly states "This would, for example, rule out mass burn incineration facilities of mixed waste..." London has a shortage of waste management capacity, and setting the threshold at a level that prevents waste facilities coming forward does nothing to address capacity shortfalls. Working through the London Waste and Recycling Board (LWaRB) I am already looking to address the issue of increasing household recycling rates.

The current proportion of 42% municipal waste to EfW (energy from waste) is not inconsistent with London Plan targets of zero waste direct to landfill and 60% to recycling. It is my intention that energy is recovered from the remainder. The indications remain that by 2031 London will have sufficient EfW capacity to manage the 40% household and the 30% commercial and industrial waste we have not projected to be recycled. This will enable London to be waste self-sufficient, to achieve its planned recycling rates and to deliver zero waste direct to landfill.

Lifetime Homes

This Assembly notes the alterations relating to Londoners who require accessible or adapted housing, and celebrates the commitment in the London Plan under successive Mayors in ensuring that London is a beacon of best practice across the UK in building new homes to Lifetime Home Standards or to be wheelchair accessible or adaptable.

This Assembly is concerned that the Deregulation Bill may strip the Mayor and boroughs of the power to include lifetime home requirements without additional evidence of need, and may remove the power of the Mayor and boroughs to require private developers to include wheelchair accessible properties.

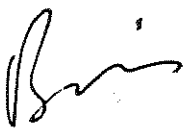
S.60 proposal

Lobby the Government to remove from the Deregulation Bill provisions that may strip the Mayor and boroughs of the power to include lifetime home requirements without additional evidence of need, and/or remove the power of the Mayor and boroughs to require private developers to include wheelchair accessible properties.

My officers have been working closely with Government for some time to ensure that that its Housing Standards Review takes into account my established standards for lifetime homes and wheelchair accessible homes. Government's last consultation paper suggested that we have had considerable success in this, with London Plan standards now being proposed as an option for authorities across the country to adopt where justified. While this will require their assessment through the statutory plan making process it is considered that the resultant standards will be more authoritative and consistent across the whole of London and I hope shortly to publish a minor Alteration to the Plan in this context.

I trust that the above has addressed the Assembly's concerns and points to its satisfaction.

Yours ever,

A handwritten signature in black ink, appearing to be 'Boris', written in a cursive style.

Boris Johnson
Mayor of London