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| **Subject:** **The Density of New Housing Development in London** |
| **Report to: Planning Committee**  |
| **Report of: Executive Director ofSecretariat** | Date: 11 March 2014 |
| **This report will be considered in public**  |

**1. Summary**

* 1. This report sets out the background for a discussion with invited experts on the issue of how London’s housing density is being managed in response to rapid population growth and the need for new homes in the capital. While not a subject of the current London Plan review, revised housing targets and policies protecting other land uses are likely to have an impact on current assumptions relating to sustainable residential quality and policies for optimising London’s housing potential.

**2. Recommendations**

* 1. **That the Committee note this report as background to the discussion with invited experts on various aspects affecting London’s housing density.**
	2. **That the Committee use information resulting from the meeting in its response to the Mayor's consultation on proposals to revise the London Plan.**

**3. Background**

* 1. In the latest proposals to review the London Plan the Mayor has significantly updated London’s housing need requirements. Housing targets have been increased by more than 30 per cent and numbers have risen from 32,210 per annum in the existing Plan to 42,389 per annum.[[1]](#footnote-1)
	2. The increased targets are in response to forecast population figures that anticipate London’s population increasing by more than 23 per cent over the Plan period, rising from 8.2 million in 2011 to 10.11 million in 2036.
	3. This growth has to be set in the context of objective 1 of the London Plan that is to accommodate London’s growth within its boundaries without encroaching on open space. Given this context, London Plan policy 3.4 (Optimising housing density) seeks to ensure housing output is optimised according to different locations and recognises the inter-relationship between local character of an area and the relative accessibility of sites.
	4. Optimising housing density (Policy 3.4) has been a feature of the Plan since 2011 and represents a shift away from the 2008 Plan that sought to achieve the “maximum intensity of use compatible with local context”.[[2]](#footnote-2)
	5. The intention of this policy is to ensure that land is developed to the fullest amount consistent with all relevant planning objectives, and to ensure that the quality of housing output is not compromised by the need to make the most efficient use of land.
	6. To assist boroughs in making planning decisions the Plan contains a density matrix[[3]](#footnote-3) that sets out a recommended range of habitable rooms and dwellings per hectare based on calculations related to the site setting in terms of location, existing building form and massing, and the index of public transport accessibility.

**4. Issues for Consideration**

**Rising density of development**

* 1. The Plan sets a target for over 95 per cent of development to comply with the housing density matrix.[[4]](#footnote-4) London Plan Monitoring reports show that more than half of all residential units given approval are above the density levels set out in the Plan:

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| **Residential Approvals Compared To The Density Matrix Percentage of Units Approved:** |
|  | Within range  | Above range  | Below range  |
| 2006/07  | 36%  | 60%  | 4%  |
| 2007/08  | 40%  | 55%  | 5%  |
| 2008/09  | 41%  | 53%  | 7%  |
| 2009/10  | 39%  | 56%  | 6%  |
| 2010/11  | 37%  | 58%  | 5%  |
| 2011/12  | 40%  | 55%  | 5%  |

Source: London Plan Annual Monitoring Report 9, 2001012, March 2013[[5]](#footnote-5)

* 1. Overall the figures above suggest that new development in London is being built at higher densities. The Further Alterations to the London Plan suggest that densities will continue to rise, particularly in those areas identified as most suitable for development. The Plan suggests that town centres (Policy 2.15), opportunity and intensification areas (Policy 2.13), and other large sites (Policy 3.7) could provide a significant increment to housing supply. These areas and other sites with good public transport accessibility are highlighted as having particular potential to exceed the targets set out in the density matrix.[[6]](#footnote-6)
	2. Large new developments are planned to make a significant contribution to meeting housing need, and their scale means they have particular potential to accommodate higher density. Policy 3.7 (Large residential developments) has been amended and development on sites of over five hectares or capable of accommodating more than 500 dwellings should be progressed to “encourage higher densities”.
	3. The Mayor’s Housing Supplementary Planning Guidance notes that “sustainable and successful higher density housing depends on a complex range of factors including the location, management, occupancy and tenure of a development, and all should be taken into account when schemes are designed.”

**Impact of rising density of development**

4.5 Given London’s population projections, housing need and constrained land supply a policy on optimising the housing potential of sites is a sensible policy response. However there are suggestions that the resulting intensification of development may have had negative consequences for a number of housing issues. It may have contributed to:

* Increased residential land values –contributing to the high price of housing and social exclusion;
* Reduced the viability and delivery of affordable housing and so undermined creation of mixed and balanced communities;
* Reduced the delivery of family sized homes (that are not suitable for high density development),
* Reduced space standards in market housing for financial viability reasons, and encouraged development above sustainable residential quality standards;
* Encouraged the development of tall buildings and, alongside other London Plan policies, worked against provision of new homes in traditional London streetscapes;

**Issues for discussion**

4.6 Members may wish to discuss the following issues with the invited experts:

* London's current density levels particularly as compared with international examples;
* The definition and measurement of housing density, including shortfalls of the current approach and alternative approaches;
* Current density of new housing development relative to the London density matrix, the impact of optimising housing density policy and implications for the current alterations to the London Plan;
* Challenges to delivering supporting infrastructure eg waste and water as well as facilities such as community infrastructure, green space and play space, public realm assets and lifetime neighbourhoods; and
* Impact of density matrix on land values and understanding the economics;
* Alternative configurations to accommodating higher densities including "traditional streets" and other urban design solutions, and the architectural challenges of designing and constructing developments in different densities, layouts and heights;
* Whether the Plan's sustainable residential quality density matrix or other policies that influence density should be revised.

**Invited guests**

* 1. The Committee has invited a range of experts from the fields of architecture, planning, urban design, academia and the GLA to discuss the issues set out above.

**5. Legal Implications**

* 1. The Committee has the power to do what is recommended in this report.

**6. Financial Implications**

* 1. There are no direct financial implications to the GLA arising from this report.

**List of appendices to this report:**

None

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| **Local Government (Access to Information) Act 1985** List of Background Papers:Draft Further Alterations to the London Plan January 2014 <http://www.london.gov.uk/sites/default/files/FALP.pdf> |
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1. Draft Further Alterations to the London Plan, January 2014, Policy 3.3 and Table 3.1 [↑](#footnote-ref-1)
2. Policy 3A.3, The London Plan, February 2008 http://www.london.gov.uk/thelondonplan/docs/londonplan08.pdf [↑](#footnote-ref-2)
3. Draft Further Alterations to the London Plan, January 2014, Table 3.2 [↑](#footnote-ref-3)
4. Key Performance Indicator 2, Draft Further Alterations to the London Plan, January 2014, Table 8.2 [↑](#footnote-ref-4)
5. https://www.london.gov.uk/sites/default/files/archives/AMR%209.pdf [↑](#footnote-ref-5)
6. Discussion on the draft Further Alterations to the London Plan Consultation, Planning Committee 25 February 2014 http://www.london.gov.uk/moderngov/ieListDocuments.aspx?CId=258&MId=5042&Ver=4#sthash.jTP93G8S.dpuf [↑](#footnote-ref-6)