

## London Assembly Planning and Regeneration Committee – 14 July 2020

### Transcript of Agenda Item 11 – London Plan Update

**Andrew Boff AM (Chair):** Members, that brings us to the next main item of business: a discussion on the London Plan and can I welcome our guests for this item? They are Jules Pipe, who is Deputy Mayor for Planning, Regeneration and Skills, and Lisa Fairmaner, Head of London Plan and Growth Strategies.

I will start off with the first question, if I may, to Jules Pipe perhaps and Lisa Fairmaner as well. What progress have you made on negotiating the Secretary of State for Housing, Communities and Local Government's directions for changes to the London Plan, and what are the next steps and when does the Mayor intend to submit and publish his next version of the London Plan?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** Thank you, Chair. Yes, this has taken quite a long time to get to where we have got to and unfortunately it is still an ongoing process. The Secretary of State issued his directions back on 13 March and the Mayor responded to the Secretary of State on 24 April and we are still to hear back in any substantive way from the Ministry for Housing, Communities and Local Government (MHCLG). GLA and MHCLG officials have been talking throughout all that time and there have been discussions taking place around the proposed changes that we have suggested in response to the directions, and so now it is waiting to get onto the Secretary of State's table for him to agree those further changes or not.

There were 11 specific directions and we have suggested changes to five of them. Within those five, there were 27 individual tracked changes and a variety of things, some of consequence, some less so. Nine of the 27 were purely technical, relating to cross-references within the London Plan that were no longer correct because of changes that have been made by the Secretary of State, so it needed tidying up. It has fewer than 20 tracked changes that need agreement or otherwise from the Secretary of State and so negotiations are still underway on those, in the sense that we have made our submission, discussions have been held with officials, now it is with the Secretary of State, so in that sense the conversation is ongoing.

After we receive the Secretary of State's agreement then there is a series of steps that have to be taken following that, so completely integrated impact assessment (IIA), perhaps the habitats regulations assessment (HRA), all the necessary legal checks, all to go through the absolute final wording of the plan as agreed with the Secretary of State. Then there is the formal mayoral decision, then sending finally the formally agreed version back to the Secretary of State, then receive the Secretary of State's formal confirmation and then formal publication. Even if we receive a response from the Secretary of State today, we are probably looking at another couple of months for the assessments that have to be undertaken and then a good couple of months of formalities to get to final publication.

**Andrew Boff AM (Chair):** The Mayor has to go through the process again of intending to publish?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** These are further steps that, even if the Secretary of State had agreed without any amendments -- well, I suppose at least we could have skipped the IIA and HRA, if there have been no changes, but all the other steps are ones that would have to have taken place.

**Lisa Fairmaner (Head of London Plan and Growth Strategies, Greater London Authority):** That is absolutely right, so because the wording will ultimately change to reflect the directions the Secretary of State has made - regardless of the final wording that we agree - we need to update both the IIA and the HRA to ensure that they relate to the final wording of the plan as it is going to be published.

**Andrew Boff AM (Chair):** All right. Assembly Member Devenish, you wanted to come in there.

**Tony Devenish AM:** Yes, a slight change of tack if I could, Chair. Good afternoon, Jules. You now have up on your website the public appeals dates for planning. Would you like to say a little bit about that and particularly how you feel it is going to work in the new virtual world that we are going to live in?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** We have seen it working well in local authorities, and today's meeting is an example of how we can adapt to this new world of virtual meetings, so I am confident that we will be able to handle the meeting perfectly well. I am pleased that the loosening of lockdown will mean that we will be able to undertake site visits in the usual way. We had made preparations to do virtual site visits for people as well, but I am pleased that, as long as social distancing is observed, that there would not be any change in those visits.

We have been prepared to do hearings since the end of May but none of the seven or, so applications have been ready. All bar one of them had environmental assessments still to do. There was always going to be a shortcut because of course we were expecting the election. We had fully intended that call-ins would resume sometime in June but the fact that we have not is not that we have not been ready. We have stood ready for practically two months but the applicants themselves were not ready in the end. The first one is the Richmond, is it, Lisa? Anyway, do not quote me on that. I will have to check. As you said, it is on the website now.

**Tony Devenish AM:** Thank you. I will leave it there, Chair. Thank you very much.

**Andrew Boff AM (Chair):** Thank you. You have talked incidentally about five areas that are up for negotiation. Perhaps you could write to us with what those five areas are.

As part of your negotiations with the MHCLG to finalise the London Plan, is there any discussion of making further amendments in response to the COVID-19 crisis?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** It is fair to say that an awful lot of what was in the original plan - that still is in the plan - is quite relevant to the kind of spatial approach that people have discussed prompted by coronavirus. None of the plan policies require immediate change or review. The plan was a sufficiently flexible framework that works just as well, even in the wake of COVID-19. The policies, the good growth principles that underlie the plan do address many of the priorities that communities have been raising as a result of the pandemic - things about open space and the importance of open space: good urban design, the quality of housing and space standards within homes, access to private outside space, whether it is a balcony or winter garden in flats, the importance of open nearby open space as in public parks. The green recovery that we would like to see from COVID-19 is very much supported by the plan, in terms of walking and cycling around neighbourhoods that are not clogged up with traffic and the resulting air pollution. That is very much at the heart of the plan.

**Andrew Boff AM (Chair):** Do you recognise there is a trend towards working from home and that may very well lead to a demand for larger homes with private spaces? Is that a summary of what you are saying?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** The plan promotes decent sized homes for living. The jury is out on the requirement to start designing homes that can all have home offices.

That is not feasible. Also, it is not necessarily desirable. It is interesting when one considers the phenomenon of WeWork type offices that those people that use them always had the option to use their kitchen table or their bedroom. They have chosen not to because they see the value in rubbing up against other people with other ideas, the cross-fertilisation of ideas. Collegiate working and the requirement still for some face to face meetings is more desirable than working in this way. The office is not dead yet.

**Andrew Boff AM (Chair):** You think the London Plan fully accommodates the changes that have taken place as a result of the pandemic?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** I do.

**Nicky Gavron AM (Deputy Chair):** Chair, could I come in here for a moment?

**Andrew Boff AM (Chair):** Of course, yes, please.

**Nicky Gavron AM (Deputy Chair):** Thank you. Deputy Mayor, I am very aware that the Secretary of State's directions include relaxing the safeguarding of Metropolitan Open Land (MOL) and, also, they include the no net loss of industrial land. You talked about open space just now and with the experience of the last four or five months, negotiations around MOL and on the no net loss of industrial land, we are now seeing, for instance - an example I am sure you will know - Amazon buying up housing land value for a housing site for about 800 houses in order to turn it into a logistics site. We probably have moved away from "just in time" to "just in case" and we will need more industrial land than we thought. I am wondering, is this affecting your negotiations in any way, this experience and this information, and what many people are becoming aware of?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** Thank you, Nicky. I will bring Lisa in on this, but I answered the previous question perhaps more in the spirit of the plan as we drew it up, and you do make two very good points in relation to COVID-19. The dilution of the effect of the metropolitan open land piece within the plan is truly unwelcome and I do not see why Londoners' green space should have less protection than out of London's green belt. That is counter to what we would like to see, particularly as a result of COVID-19.

Also, on the B8 logistics usage, that has hugely shot up during lockdown. That is probably more likely to stay - the demand for home delivery now that people have a taste for it. The figures for supermarket deliveries at home went up something like several times more than it had gone up in the last 10 years over the COVID-19 period, so all of this is going to require more and more industrial space and more space for last MOL delivery and the no net loss, which of course was no net loss across London as a whole.

The policy was never about preserving in aspic, leaving it empty hoping someone comes along and puts a business on it. That was never the intention. It was about taking a good look at what London needs and making sure that it was facilitated. You are right to say that as a result of COVID-19 that demand is here to stay. Lisa, did you want to come in at all?

**Lisa Fairmaner (Head of London Plan and Growth Strategies, Greater London Authority):** Yes, thank you, Jules. Thank you, Nicky.

On the point about industrial, clearly, the Secretary of State from the direction has a very different framework for managing current industrial land - its release, its use and its intensification - than the one that was put forward in the London Plan. What we will need to do is continue to monitor those impacts. What we have absolutely seen in the last few months is how reliant London is on its supply chain and its distribution networks

and, like everything else, publication of the London Plan and seeing what happens will enable us to monitor the situation and see what the impacts are.

There was a conversation earlier about the Government's proposed changes to Permitted Development Rights (PDRs), for example, and perhaps wider planning reform measures. We need to be cognisant that London's economy will continue to be reliant on its workplaces as well as its housing. Obviously, it is not about pursuing an absolute housing target, and to be mindful of that as well in terms of the high streets and the changes that may come out of the pandemic, and enabling those high streets to continue to provide a range of workspaces, jobs and opportunities right across London and for people to work more locally on that. Clearly, on MOL the value that people attribute to those local spaces has become increasingly clear, even more so than it was before the pandemic and that is something that we will continue to raise.

**Andrew Boff AM (Chair):** I can understand what you are saying that some office space will still be required but it is difficult to set that against our own example here at the GLA, where the new office plans are heavily dependent upon home working if they are going to work at all. I see no reason why that should not be reflected among all the enterprises that are in London at the moment. That there is going to be less of a demand for these offices, but you are saying you do not agree. Is that correct?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** It is too early to tell whether there should be a wholesale different approach to what is in the plan. As I said, the plan is a sufficiently flexible framework that is adaptable to any new reality that comes forward.

**Andrew Boff AM (Chair):** OK. How will the negotiated changes in response to the Secretary of State's directions impact on the housing delivery target of 52,000 homes a year for London?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** Lisa, did you want to pick up on that?

**Lisa Fairmaner (Head of London Plan and Growth Strategies, Greater London Authority):** Yes, I am happy to come in, Jules.

Looking through the 11 specific directions, they have a fairly limited impact. Clearly, it was always envisaged that family housing, for example, would come forward and that was one of the areas of direction to supporting text and so, although on the face of it family housing delivers up more absolute numbers even for the same floor space, the reality was that family housing was expected to come forward anyway as previously discussed at the previous planning committee, so there is no direction that would specifically impact in that way on the housing target.

**Andrew Boff AM (Chair):** OK. Assembly Member Devenish, if you would like to come in on that

**Tony Devenish AM:** Going back to the last point that you were discussing with the Deputy Mayor, I was quite interested to know - and I appreciate there is a lag and we have only been in this crisis four and a half months, although it seems a lot longer - have you picked up any research, I know it is early days, that you could perhaps share with the Committee in terms of what is going to happen next?

Clearly, I am picking up a lot of stuff that - I guess in the simplest way of pointing out - has virtually been said by previous speakers, residential that has been all but dominant for the last decade plus is now not in retreat but certainly having to share space with online grounds, and I wonder particularly whether you felt that you would have to relook at possibly co-living, shared living, build-to-rent (BTR), private rented sector (PRS) going

forward, and if you had any research to either say, as you have basically said, it is too early or you had some research that you would be looking at changes subsequently?

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** I am sorry, Tony; it is too early. I am not aware of any recent research in the light of COVID-19 on the specific points like shared or co-living.

Some of these dynamics are already in place anyway. Before COVID-19 we were concerned about the nature of shops and retail and big retail volumes, such as in the West End, what is the future for those? What options were there for residential above on a smaller retail footprint? The importance of BTR, if we can access the Pension Fund potential of bringing those forward, would accelerate delivery. There is a massive pipeline of permissions out there that are not built out. Whatever incentives are brought forward a developer is still not going to want to devalue their stock by flooding the market with it, whereas BTR - as you perfectly understand - would be an opportunity to accelerate delivery without undermining the value of their product. BTR, again, that is a dynamic that people were exploring before COVID-19.

**Tony Devenish AM:** Thank you. One final question and I know you probably cannot answer this one either: there is a lot of talk in the market - both in the political and property markets - about the forthcoming changes that we expect from Government in terms of planning "deregulation". Do you have any insight into exactly what is going to come out that we do not have? You could answer that one in writing subsequently because I guess the answer is probably no at the moment.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** Lisa gets to talk to MHCLG officials and maybe she has picked up something. I could not put it better, though - my fears - than some of the things that Victoria Hills was saying earlier. I have a lot of potential concerns, and the remark about it was welcome that they have at least laid out that one does have to have windows in homes does indicate where we have got to.

**Andrew Boff AM (Chair):** Thank you.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** We will write if there is anything.

**Tony Devenish AM:** Thank you.

**Andrew Boff AM (Chair):** Assembly Member Gavron, if you would like to come in with your two questions, please.

**Nicky Gavron AM (Deputy Chair):** Yes. Deputy Mayor, in his letter to the Mayor the Secretary of State said that he would want the Mayor to go beyond the housing requirements in the London Plan and suggested - maybe a bit stronger than suggested - that the Mayor should produce and implement a strategy for the wider south-east, working with all the stakeholders and of course the statutory planning authorities and local authorities. This would be in order to look at meeting London's unmet housing need.

Following that instruction - which might be an instruction, and you can put me right on that if it is not - I want to raise again that the Assembly recommended that it would - and it was picked up by the inspector as well - make a lot of sense as well to have a technical secretariat. This is because there is no formal framework for this kind of collaboration in the wider south-east. To have a technical secretariat that shared between London and the key authorities and so on, would provide the evidence for identifying growth locations. Is that something you are prepared to push? We are prepared to work with you on that.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** We are continuing to explore joint working and shared evidence across the wider southeast and we are involved in a lot of the strategic area-based partnerships that are around in the south-east. There are the wider southeast roundtables. We participate in the Thames Estuary Growth Board and there are a lot of meetings going on in the background between the sub-regions within the wider southeast and the GLA.

It is entirely possible that such a secretariat could form part of ongoing work, but I do not think we are there yet for a number of reasons. Nothing really can happen until the London Plan is formally published. Once that happens, we can then focus more on developing workstreams and have collaboration with wider south-east partners. Wider south-east partners would certainly much agree with that because they have concerns about unmet need. You will have seen some of the exchanges in letters sent by representatives of the wider south-east who do not want to cater for London's unmet need.

There is also the issue about what is London's unmet need as well. As I have been saying for quite some time - including I am sure before to this Committee or in its former guise as the Planning Committee - there is increasing evidence that the evidence that we relied on for the numbers in the plan is shifting. The most recent population statistics are showing a huge drop in household formation compared to the data that we used in the formation of the plan. Of the 66,000 that we had in the original plan, about 48,000 was new household growth. The household formation data will be coming out later on this year, but it could have dropped as low as 24,000. That would mean that the 53,000 that the plan is now at more than caters for household formation and would be eating into the backlog at a faster rate than the 66,000 was on the original data.

There are a lot of things that we need to factor into this that changes the nature of the conversation. Co-operating with the wider south-east about how best we plan when people are fixated on a missing 13,000 is very different to the conversation we have if the rate we are building at and completions are actually up to new household formation plus healthily eating into the backlog. It is a different conversation that the wider south-east would be interested in having. It would certainly be an easier conversation as far as London is concerned.

**Nicky Gavron AM (Deputy Chair):** Yes, I was going to say that I totally agree. It would be an easier one. There is confusion about, well, the distinction has to be made between relevant stakeholders and partners and willing ones. It might be a way of getting more of the relevant ones together. I will leave it there. That is really interesting what you have said.

I want to ask another question about what was in the Secretary of State's letter, which was about the Mayor looking for new sources of housing supply and suggesting - if I remember this right - a more active role with Homes England. I wondered what that meant, them playing a more active role with you in terms of housing supply.

**Lisa Fairmaner (Head of London Plan and Growth Strategies, Greater London Authority):** There has been nothing specific that has come out of our discussions with MHCLG. Obviously, there are things that we can pick up, and working with MHCLG is what we really want to do for the benefit of the industry to get the London Plan over the line first and boroughs can keep writing their local plans and all the things that are waiting for that. We have been focusing in on those 11 specific directions and how we can reach some agreement around those. Those other matters are things we are going to have to pick up. They are certainly part of the conversation and they are certainly part of the wider thinking. That has been brought to the fore more due to the unusual circumstances because of the pandemic. We will look for those opportunities but at the moment it is not something that we have gone into formal discussions with MHCLG officials about how we might look at that.

Obviously, there is a huge amount of joint working that already goes on in conversations between the Government and us but it would be tailoring that to make sure that it is the right partnership to deliver the right things.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** In general, the things that Homes England delivers elsewhere in the country, those things as you know, Nicky, are delegated to the Mayor of London. I suppose, depending on what they were thinking, it is likely that the Mayor's preference would be that they would be delegated to London along with other similar things.

**Nicky Gavron AM (Deputy Chair):** Yes. I would hope for that. I wanted to explore it; open it up. Thank you very much for those answers.

**Andrew Boff AM (Chair):** Thank you, Assembly Member Gavron.

Finally, I want to ask, going back to the COVID-19 crisis, is it not time we took this opportunity of reviewing the London Plan to look at the importance of this Strategic Housing Market Area Assessment (SHMAA) in the assessment of London's housing needs, bearing in mind that the SHMAA is recommending the very kind of one and two bedroom flats that have been prisons for people over the lockdown.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** It is important that we get this plan out. The Mayor and I are firmly of the view that it is a much-improved plan to the existing published plan that we have been working to for the last four/eight years. The previous plan did not mandate family-size homes and in this plan, it does mandate - well, certainly encourages - boroughs to mandate family-size homes in affordable housing. I have always been a bit bemused by the criticism about the absence of family-size mixes being prescribed in the plan when the previous plan did not have that, whereas we have moved forward on that in the plan. As you know, it has moved on forward again since the public inspection.

Your general point, though, about revisiting the SHMAA, I would entirely accept that it is worthwhile revisiting all of this in light of the population data that I was referring to earlier. As I say, affordable housing, which is in greatest need at the moment, 60% to 70% of all housing built in London ought to be of the affordable variety if we were going to match delivery with need. All that 70% would be subject to mandating on size mix by boroughs.

**Andrew Boff AM (Chair):** Just before I bring in Assembly Member Shah, who has indicated, do the requirements in the London Plan ask the boroughs to do what they are doing already? The boroughs already assess their requirements for family homes, but without the attachment of money or priority they are not going to build any more than they are at the moment, surely.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** Sorry, Chair. It dropped at my end.

**Andrew Boff AM (Chair):** I beg your pardon. The London Plan seems to ask the boroughs to do what they are doing already - and have done for years - which is to assess the housing need in their boroughs. In fact, it is worse because the actual paragraph that you are referring to in the London Plan kind of dismisses the priority for family-sized homes by effectively saying if they are more expensive you do not have to bother, which of course family-sized homes are always more expensive. This is a bit of sleight of hand.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** That is slightly unfair. Realistically, the plan recognises that simply mandating family-sized homes in the market does not necessarily address the

need for family-sized homes for buyers, because if they are too expensive for them to buy they simply go to multiple renters and so it is not actually addressing the need.

**Andrew Boff AM (Chair):** Assembly Member Shah, you indicated.

**Navin Shah AM:** Yes, I have indeed, Chair. In the previous session – Jules [Pipe], I am not sure whether you were there – reference was made to equality impact assessments, which the Brent Council has brought in, in terms of the planning application process itself. I wonder, as we approach the recovery period, whether the London Plan needs to focus in terms of equality assessment, equality in practices, because we are not only talking about possibly the conversation you were having about family-sized dwellings but whether there is any change in terms of the emphasis of what the high street should look like and social infrastructure and so on and, also, whether there is any role for a quality impact assessment with the London Plan in the context of a pandemic.

**Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills):** If Lisa can come in on the specifics about the assessments about the actual plan itself and also where they fit with individual applications. I would reiterate, though, on the general thrust of your point about the need to plan for a green recovery, a more socially inclusive recovery that that is all in the plan. The good growth policies in the plan those ambitions align perfectly with what people have been articulating during and hopefully post-COVID-19.

Take the example of a high street where the Mayor has been pushing for things that are in the plan and in the growth policies, such as more cycling, more cycle parking, bike lanes, road closures, and that is all there in the plan making our high streets more vibrant, better mix, curated. I am very keen on the word 'curated'. Just allowing the market to take over parades of shops, we are going to see them like broken teeth in a punched mouth, frankly. Some boarded up and net curtains put up over the shopfront windows because it has been turned through PDRs into poor quality housing. The best authorities out there are actively curating those high streets and that all fits with the policies in the plan, plus also – you have seen it – our adapted strategies for high streets, what the regeneration team have done. Both in the plan and the active work the regenerative team are undertaking and the work they have published, all goes to the thrust of what you said about a more socially progressive and socially resilient community. On the actual testing of it – the litmus tests of the equalities impact assessment – I would like to bring Lisa in.

**Lisa Fairmaner (Head of London Plan and Growth Strategies, Greater London Authority):** Thanks, Jules [Pipe]. Thank you, Navin [Shah]. For the London Plan itself, the equalities impact assessment is part of the integrated impact assessment and we would revisit that again in light of the direction of the Secretary of State and in light of the final text that is getting adopted and published. Similarly, for all of our guidance there would be an equalities assessment. Again, if we are looking at things like opportunity areas, plan frameworks, for example, in the development of those that is certainly part of our conversation. It is an iterative process, and so clearly there is the written work looking at things like the production of an integrated impact assessment and the inclusion of equalities considerations but also looking at, for example, how we engage the communities and those sorts of conversations and what the actual text is to make sure that it is reflective of the community in that area we are referring to.

**Navin Shah AM:** Thank you very much.

**Andrew Boff AM (Chair):** Thanks very much. There being no more questions, as far as I can see, I would like to thank our guests for your contributions. It has been extremely useful. Thank you.