

New London Plan Examination - Written Statement [ID: 3223]

Our ref 16232/01/SB/SFu
Date 3 December 2018
From Lichfields on behalf of Dylon 2 Limited and Relta Limited

Matter 10 **Spatial Development Strategy (Overall Spatial Development Strategy)**
Should the vast majority of London's development needs be met within London?

1.0 a) Is the approach of seeking to accommodate the vast majority of identified development requirements between 2019 and 2041 within London justified and would so doing contribute to the objective of achieving sustainable development?

Response to the proposed approach to seek to deliver the 'vast majority' of identified development requirements within London

- 1.1 **No.** The National Planning Policy Framework 1 (2012) (NPPF)¹ [NLP/GD/03] (para.182) is clear that plans should be prepared and based on a strategy which seeks to meet full objectively assessed development needs, where it is reasonable to do so. Therefore, an approach seeking to accommodate only the '**vast majority**' of identified development requirements in the plan period within London, cannot be consistent with national policy. It follows that the New London Plan (NLP) must seek to accommodate all of the identified development requirements for the plan period within London. To seek to do less than this, without sound evidence, cannot be justified.
- 1.2 Despite this, and in the in the context of the housing and affordability crisis in London, the NLP housing target of c.65,000 dwellings per annum(dpa)² falls short of the housing need of 66,000dpa as calculated in the London Strategic Housing Market Assessment (SHMA, 2017) [NLP/HOU/001].
- 1.3 It is also well established that the 66,000dpa figure is likely to underplay current housing needs, for a number of reasons:
- 1 The London SHMA (2017) methodology employed is inconsistent with government guidance³.
 - 2 If applied to London, the Government's Standard Methodology identifies 77,000dpa being needed⁴.

¹ The Framework under which the New London Plan is being assessed.

² Draft NLP, Policy H1, Figure 4.1

³ See representations to the Draft NLP on 2 March 2018 for further detail [respondent 3223]

⁴ Lichfields Insight: Housing supply in 2017/18: where do we stand? 19 November 2018:
<http://lichfieldsintranet/announcement/housingsupplyin201718wheredowestand>

3 The letter sent from the Secretary of State for Housing, Communities and Local Government, to the Mayor (27 July 2018), provides clear confirmation that the housing target of c.65,000dpa is not considered to reflect London’s full extent of housing need.

1.4 Therefore, in itself, the c.65,000dpa figure does not meet the ‘vast majority’ of London’s housing need.

1.5 In addition, no effort is being made to bridge the c.12,000dpa gap; indeed, limited justification is given for why the proposed target of 65,000dpa is appropriate, beyond simply that it is the product of a capacity-based exercise and reflects what the GLA anticipates might be achievable within the confines of the exercise. Indeed, there is no balancing exercise of the type envisaged by the NPPF (para.14), to “*Meet housing needs unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits*”.

1.6 The absence of this key consideration is highlighted by the NLP’s Integrated Impact Assessment (IIA) [NLP/CD/04]. The IIA does not assess any alternative housing targets. Furthermore, the IIA’s assessment of Policy H1 – a policy which does not seek to meet identified housing needs on the GLA’s own evidence - appraises the policy as having long term ‘significant positive’ effects against the objective of meeting housing need. The approach to deliver fewer homes than the assessed need in London is not justified. It cannot be considered to be the most appropriate strategy, as it is not based on proportionate evidence nor have any other ‘reasonable alternatives’ been assessed.

1.7 One such reasonable alternative, neglected to be assessed, is release of land currently designated as Green Belt (GB) or Metropolitan Open Land (MOL).

1.8 Background documents within the NLP evidence base identified a co-ordinated GB/MOL review as a possible option for accommodating London’s growth⁵ and also raised concern with undertaking piecemeal GB reviews⁶. There is no evidence that this option was adequately explored. IIA Option 4 for Policy GG2⁷ also considers ‘selective’ GB release, including the release of land around commuter hubs to assist with maximising strategic public transport infrastructure, underpinning sustainable growth. Despite such benefits, the option was discounted without reference to any specific sites or a GB Review.

1.9 A full, strategic level review of GB and MOL should be undertaken as part of the immediate review of the NLP in 2020 (see M11(b)). Until such a strategic evidenced based review is in place, there is no sound justification for not seeking to meet the identified need.

1.10 Thus, the proposed approach to seek to deliver only the ‘vast majority’ of identified development requirements within London is not positively prepared, nor justified in the context of the NPPF (para.182). The approach should be to seek to **deliver full housing need for the plan period within London.**

⁵ Outer London Commission (OLC) Seventh Report: Accommodating London’s Growth (March 2016), recommendation 13, [NLP/PP/001], OLC Fifth Report: Co-ordinating strategic policy and infrastructure investment across the wider south east (paras. 3.22 – 3.25); and OLC Sixth report Removing the Barriers to Housing delivery (March 2016)[NLP/HOU/005] paras. 5.26-5.36 (recommendation 9) [NLP/PP/002]

⁶ OLC Seventh Report: Accommodating London’s Growth (March 2016), and recommendation 26.

⁷ Page 49

Would the approach contribute to achieving sustainable development?

- 1.11 Set out in our response to M10(b) below, seeking to deliver **all of London's** identified housing need in the plan period within London, rather than seeking to deliver more of this need out of London would be significantly more sustainable (NPPF para.7).
- 1.12 However, in the context of London's acute housing and affordability crisis, to only deliver the **'vast majority'** (i.e. fewer than c.65,000 homes), rather than the full identified development needs for the plan period within London, cannot be considered to meet any of the limbs of achieving sustainable development:
- The Social Role – the approach would not provide *“the supply of housing required to meet the needs of present and future generations”* and there is no GLA evidence to suggest that a higher figure cannot be met within London (above). Delivering fewer homes than the need in London will not ease the city's affordability crisis and would risk increasing the number of people who are 'locked out' from living and working in the city.
 - The Economic Role – the approach would not contribute to building a strong, responsive and competitive economy. Having not undertaken a full review of its GB/MOL, the NLP cannot ensure that *“sufficient land of the right type is available in the right places and at the right time to support growth and innovation”* (NPPF, para.7).
 - The Environmental Role – Keeping land designated as MOL or GB if it no longer meets required criteria is not 'effective'. For example, the Dylon 2 site, LBB remains designated as MOL when it no longer meets the criteria of MOL (see M11).
- 1.13 In summary, the approach is not sound, it is not consistent with national policy, it would not enable the delivery of the principal aim of the NPPF: sustainable development. In particular, it would not achieve the government's objective to *“boost significantly the supply of housing”* (NPPF para.47).

Policy H1 should be amended on the basis that housing targets should be a minimum, a strategic MOL/GB review should be required and Policies G3 and G2 should be amended to ensure MOL land is only kept where it clearly meets the required criteria⁸.

1,040 words.

2.0 b) Alternatively, would accommodating more of London's development needs in the wider South East and beyond better contribute to the objective of achieving sustainable development?

- 2.1 **No.** This approach would not contribute to the objective of achieving sustainable development, along any of its three 'limbs' (NPPF, para.7).
- 2.2 First, providing the homes outside of London would not provide the supply required to meet the needs of London's present and future generations, as is required by the social limb of sustainable development (as set out in response to Matter 10(a) above). To deliver even a small portion of the c.66,000 homes⁹ outside of London would therefore clearly not meet the requirement for plans to be 'positively prepared' (NPPF, para.182).
- 2.3 Secondly, the economic limb: Delivering new dwellings outside of London would not provide homes close to jobs where they are needed; it risks stifling innovation and the continued growth

⁸ See March 18 representations (G2) and M11, Annex 1 (G3) for suggested policy re-wording.

⁹ The assessed need, as calculated in the 2017 SHMA [NLP/HOU/001].

of London's economy; it would not address affordability and accordingly not deliver the Mayor's own ambition for 'Good Growth'¹⁰ which seeks "to rebalance development in London towards more genuinely affordable homes for working Londoners to buy and rent."

- 2.4 Finally, providing homes away from jobs in London would not meet the environmental limb of sustainable development; it would encourage longer commutes, increase pollution and obstruct the government's commitment to move towards a low carbon economy. Instead, the NLP must make effective use of land within London on sites which are in sustainable locations close to existing transport hubs. Such sites could be sustainably released if a full MOL/GB review is undertaken (see M11(b)).
- 2.5 It follows that the NLP must seek to deliver its full housing need within London, as there is no evidence to suggest this cannot be achieved. To do otherwise, and to provide these homes outside of London is not justified, would not meet the test of the plan being positively prepared and would not be consistent with national policy (NPPF, para.182).

297 words.

3.0 **c) If so, is there a realistic prospect that such an approach in London and the wider South East could be delivered in the context of national policy and legislation?**

- 3.1 **No.** The NPPF is clear that authorities are required to use their evidence base to ensure they are planning to meet the full, objectively assessed needs for market and affordable housing (para.47). The NLP does not seek do this.
- 3.2 There is no planning reason nor GLA evidence to suggest that London's development needs cannot be met within London (see M10(a))¹¹. As the NLP is not supported by a full MOL/GB review there is no evidence to suggest that capacity cannot be increased. This is despite the Framework stating that GB boundaries can be altered through the preparation or review of plans, at which time, authorities should "have regard to their intended permanence so that they are capable of enduring beyond the plan period" (para.83).
- 3.3 **The wider South-Eastern Authorities should not be expected to accept London's unmet need, until NLP evidence base demonstrates it has explored all opportunities first.**
- 3.4 This is the consensus in the March 2018 representations from a considerable number of authorities outside of London in respect of policies G2 and G3¹². These authorities support the need for a full review of GB and MOL boundaries in London in order to identify if there are other growth areas which have yet to be identified. Many of these authorities are facing their own, severe housing pressures, and many are reviewing their GB boundaries to meet their own needs and ensure that these continue to fulfil the purposes of the GB Designation. London must do the same. Why should it not. To not do so and to ask others to meet London's needs when these authorities are already reviewing their GB land cannot be sound.

¹⁰ See NLP Forward, paragraph 5

¹¹ and the IIA does not appear to assess any alternative housing targets.

¹² Including: Brentwood Borough Council [1946], joint response of the Buckinghamshire District Councils and Buckinghamshire Thames Valley LEP [2890], Central Bedfordshire Council [2950], Crawley Borough Council [2654], Hampshire County Council [2646], Kent Council Leaders [2624], Oxfordshire County Council [2888]; Surrey County Council [2761]

- 3.5 This approach is also not realistic, given that some London Boroughs are demonstrating that the housing targets in the NLP can be exceeded in emerging development plans. Albeit noting that Westminster does not have any GB, in its emerging ‘City Plan’ (2019–2040), the Borough sets out a strategy geared towards optimising housing delivery and using innovative ways to deliver more homes. The plan proposes a target of 1,495dpa compared to the NLP figure of 1,010dpa¹³. This recognises that the standard methodology provides the most up to date assessment of housing needs. The document states:
- ‘Setting a higher housing target is part of that narrative and sets a strong foundation for delivering more homes to meet actual need **rather than just satisfying assumed capacity in the city.**’ (page.46).*
- 3.6 It follows that, if Westminster, a central London Borough with huge land pressures, considers it can exceed the NLP target by almost 50%, it is likely that other Boroughs can similarly find capacity to exceed these targets.
- 3.7 In February 2018, Croydon adopted its New Local Plan, this includes a housing target of 1,644dpa which exceeded the adopted London Plan target (2016) of 1,435dpa. The Borough was mindful of upward increases of housing need, with the NLP now identifying a minimum housing target for the Borough of 2,949dpa. All Boroughs should be encouraged to follow suit and provide a transition to the higher target wherever possible. Policy H1 must be clear that the housing targets at Table 4.1 are minimum targets to be exceeded.
- 3.8 Another example is LB Redbridge. Its adopted Local Plan (March 2018), proposes to release GB sites to meet its substantial housing needs and includes an annual housing target of 1,123dpa (the target in the adopted London Plan). The GB Review identified eight land parcels as well as additional areas that did not meet NPPF GB purposes and allocated these sites as ‘opportunity sites’.
- 3.9 In conclusion, there is not a realistic prospect that South-Eastern authorities could, or should be expected to accommodate any of London’s development needs, the NLP evidence base must demonstrate that it has explored all other opportunities first, principally through a full review of its MOL/GB land. To do otherwise would not meet any of the soundness tests of the NPPF (para.182).

661 words.

Total M10: 1,998 words

¹³ Table 4.1, NLP