



Andrew Boff AM

Chair of the Planning and Regeneration Committee

Sadiq Khan

Mayor of London
(Sent by email)

17 March 2022

Dear Sadiq,

Re: Opportunity Areas and Housing Zones

I am writing to you in my position as Chair of the London Assembly Planning and Regeneration Committee, with regards to Opportunity Areas (OAs) and Housing Zones (HZs). This follows a meeting which the Committee held on 8 February 2022 to discuss OAs and HZs. The guests at this meeting were:

- Jules Pipe CBE, Deputy Mayor for Planning, Regeneration and Skills
- Darren Richards, Growth Strategies and Urban Design Manager, Greater London Authority (GLA)
- Heather Juman, Head of Area South, Housing and Land, GLA
- Gerry Ansell, Head of Planning and Development Services, London Borough of Brent
- Colin Wilson, Head of Regeneration for Old Kent Road, London Borough of Southwark

The Committee also received written evidence from the campaigning group Just Space, written in consultation with their members.¹

The purpose of our investigation was to understand the social and economic impact of OAs and HZs. The Committee set out to understand how successful both models have been in

¹ Just Space is an informal alliance of around 80 community groups, campaigns and concerned independent organisations which was formed to act as a voice for Londoners at grass-roots level during the formulation of London's major planning strategy, particularly the London Plan.

contributing to economic growth, job creation, housing supply and housing affordability, as well as the benefits and disadvantages for local residents and businesses. We wanted to examine the GLA's delivery record on OAs and HZs, with the aim of establishing how both programmes could be modified to deliver improved outcomes. This letter sets out a summary of our findings and associated recommendations.

Opportunity Areas: impact on local communities

The Committee questioned guests about the impact of OAs on local communities. The Deputy Mayor told the Committee that OAs should be seen as a 'light touch planning framework' to inform strategic planning in London. Representatives from London boroughs felt that OAs have worked well in enabling strategic development and ensuring that the wider infrastructure needs of an area are addressed. Gerry Ansell stated that "in terms of the wider infrastructure when we think about things like schools, open space and community facilities, the OA designation supports that strategic and holistic thinking in terms of providing all of the things that are required for the development of a community and retaining jobs as well," and Colin Wilson shared that "one of the main benefits is the provision of transparency about what the authority wants to do in its area. There is an opportunity to say how much development, what type of development, how tall, where the public spaces will be, where the school infrastructure will be, how much money will be generated in [section] 106 and Community Infrastructure Levy."

However, Just Space and their members expressed concerns about the social and economic impact of OAs on local residents and businesses. In particular, Just Space argued that there are higher rates of gentrification and population churn in Opportunity Areas than in other parts of London.

A recent study by the Centre for Labour and Social Studies (CLASS) found that gentrification rates were 9-13% higher in Lower Super Output Areas (LSOAs) located within OAs than in LSOAs outside of them. Population churn was significantly higher across all three of their case-study boroughs within OAs and 9-30% higher than in non-OA areas² (the findings are based on a study of gentrification in the boroughs of Southwark, Waltham Forest and Brent). Community groups have therefore argued that development in OAs does not meet the needs of local residents and businesses and ultimately displaces these communities. Below we recommend that you should explore options for carrying out a full evaluation of OAs, in order to address some of these concerns.

The Deputy Mayor told the Committee that concerns expressed around the impact of development on local communities are related to the delivery of schemes, rather than the fact the sites are designated as Opportunity Areas. However, the Committee heard that the designation of sites as Opportunity Areas can result in high-density development which would not necessarily gain approval elsewhere in London.

Furthermore, some community groups feel that they have been excluded from the process of designating OAs and the development that takes place within them. Community engagement

² [Pushed to the Margins: A Quantitative Analysis of Gentrification in London in the 2010s](#),

and transparency are key to creating a planning system that delivers for Londoners. We would therefore like to see the Mayor taking a more active role in ensuring that residents, businesses and community groups are engaged and involved in the planning process within OAs.

Representatives from boroughs at the meeting gave examples of community engagement they have carried out as part of development in OAs, including a community review panel in Old Kent Road. We believe the Mayor has a role to play in supporting the development of similar initiatives by collecting and sharing examples of best practice in community engagement.

Recommendation 1: The Mayor should work with boroughs to ensure that residents, businesses and community groups are engaged and involved in the planning process within Opportunity Areas. This should include at the stage where the Opportunity Area is being designated.

Recommendation 2: The Mayor should collect and share examples of best practice in community engagement in Opportunity Areas (e.g. the community review panel in Old Kent Road).

Opportunity Areas: evaluation, monitoring and publication of data

Members of the Committee asked GLA representatives how they monitor progress in OAs and what data is published. The Committee was told that monitoring of OAs takes place as part of the Mayor's Annual Monitoring Report (AMR). We are also aware that the OA webpages have recently been updated to include data from the Planning DataHub on housing approvals and completions and the proportion of affordable housing. Whilst this is welcome, we are concerned that the information provided is limited; for example, it does not include a breakdown by housing tenure or size. We are therefore recommending that you monitor and publish data on housing tenure and size in each OA, including demolitions as well as new homes.

There also appears to be very limited monitoring of other outcomes in OAs. Just Space noted in its submission that "the monitoring process fails to record key outcomes, for example, in relation to delivery of housing at social rent levels, achievement of effective public and open spaces, levels of occupancy and foreign ownership, levels of family housing delivery and no assessment of the welfare of existing uses in these areas." At the meeting, the Committee heard that the GLA does not monitor data relating to the provision of community facilities or other outcomes such as the amount of open space in Opportunity Areas. We are therefore recommending that you should explore options for monitoring and recording more information on each OA, including in relation to community services.

The Committee also heard that the GLA has not carried out a full evaluation of each OA. Whilst the AMR monitors progress in relation to certain metrics, this is not the same as carrying out a comprehensive evaluation which assesses how OAs are performing compared to other areas, how the current approach could be improved and possible alternatives. We are therefore recommending that you explore options for carrying out a full evaluation of OAs, which assesses outcomes in OAs compared with equivalent sites in London, the impact on local residents and businesses and how GLA funds have been spent on the OA programme.

Recommendation 3: The Mayor should monitor and publish data giving a breakdown of

housing tenure and size in each Opportunity Area. This should include data on demolitions as well as new homes.

Recommendation 4: The Mayor should explore options for monitoring and publishing more detailed information relating to outcomes in each Opportunity Area. This should include data relating to community services.

Recommendation 5: The Mayor should explore options for carrying out a full evaluation of Opportunity Areas, which assesses outcomes within Opportunity Areas against original objectives and compared with equivalent sites in London which have not received Opportunity Area designation. This should include exploring the impact on local residents and businesses and the potential for gentrification and regeneration in Opportunity Areas.

Recommendation 6: The Mayor should examine, evaluate and publish total GLA spend on the Opportunity Area programme and how these funds have been spent.

Housing Zones

As part of our investigation, the Committee also set out to understand the impact of the Housing Zones programme. We heard that the programme is set to deliver 15,500 homes. 6,300 of these will be affordable (41%), of which 2,500 have been delivered so far. Borough officers noted that the amount of funding provided for each scheme is not particularly large, but explained that HZ status and funding has been important in helping to unlock schemes and bring forward development.

The Committee heard that there have been several internal evaluations of the Housing Zones programme, although these have not been published. In response to a previous request from the London Assembly Regeneration Committee in 2019, GLA Housing & Land Officers provided a written summary of the HZ review process that was undertaken from summer 2016. We believe that the Mayor should publish the findings of these internal reviews and explain how these have informed the development of the Housing Zones programme and other housing schemes.

The Committee also heard that the Housing Zone programme will not be extended beyond 2022-23. When questioned about why the programme was being discontinued, Heather Juman, Head of Area South, Housing and Land, said it had been decided that the GLA 'would take the lessons from the Housing Zones and the more innovative approaches and that we would learn from those and integrate them into our mainstream programmes.' In order to ensure that this learning takes place, it is important that the Mayor commissions a full and independent evaluation of the programme once it has concluded. This will enable the GLA to learn from its successes and failures and inform future projects.

Recommendation 7: The Mayor should publish the findings of the internal reviews that have been carried out into Housing Zones and explain how these have informed the development of the Housing Zones programme and other housing schemes.

Recommendation 8: Given that the Housing Zones programme is coming to an end, the Mayor should commission an independent evaluation of the programme, in order to learn from its

successes and failures and inform future projects.

The Committee would welcome a response by 9 June 2022. Please address your response to Sarah-Jane Gay, Senior Policy Adviser, at sarah-jane.gay@london.gov.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Boff', written in a cursive style.

Andrew Boff AM

Chair of the Planning and Regeneration Committee

Appendix A: The London Assembly Planning and Regeneration Committee's recommendations to the Mayor on overcrowding in London.

- 1. The Mayor should work with boroughs to ensure that residents, businesses and community groups are engaged and involved in the planning process within Opportunity Areas. This should include at the stage where the Opportunity Area is being designated.**
- 2. The Mayor should collect and share examples of best practice in community engagement in Opportunity Areas (e.g. the community review panel in Old Kent Road).**
- 3. The Mayor should monitor and publish data giving a breakdown of housing tenure and size in each Opportunity Area. This should include data on demolitions as well as new homes.**
- 4. The Mayor should explore options for monitoring and publishing more detailed information relating to outcomes in each Opportunity Area. This should include data relating to community services.**
- 5. The Mayor should explore options for carrying out a full evaluation of Opportunity Areas, which assesses outcomes within Opportunity Areas against original objectives and compared with equivalent sites in London which have not received Opportunity Area designation. This should include exploring the impact on local residents and businesses and the potential for gentrification and regeneration in Opportunity Areas.**
- 6. The Mayor should examine, evaluate and publish total GLA spend on the Opportunity Areas programme and how these funds have been spent.**
- 7. The Mayor should publish the findings of the internal reviews that have been carried out into Housing Zones and explain how these have informed the development of the Housing Zones programme and other housing schemes.**
- 8. Given that the Housing Zones programme is coming to an end, the Mayor should commission an independent evaluation of the programme, in order to learn from its successes and failures and inform future projects.**