

BY EMAIL & POST

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██████████
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Dear Mayor,

NEW DRAFT LONDON PLAN

REPRESENTATIONS ON BEHALF OF AITCH GROUP

On behalf of our client, Aitch Group, we hereby submit representations on the New Draft London Plan (December 2017).

Background

Aitch Group is a London developer (established in 1995) who specialise in mixed-use regeneration projects. They have a diverse property portfolio that comprises employment space (offices and warehouses) and residential homes. Currently they have no less than 20 central London developments sites in their programme, with close to 2,000 homes and over 350,000 sqft of commercial space under construction or in the development pipeline across London and the South East.

Aitch Group have been heavily involved with development in various regeneration areas which have previously been designated as industrial. These areas include Fish Island / Hackney Wick in the LLDC, where Aitch are delivering 360 apartments and 120,000 sqft of commercial space. Within the Old Kent Road regeneration zone they are delivering 400 apartments and 50,000 sqft of commercial and in the Bethnal Green regeneration zone a further 150 apartments and 60,000 sqft of commercial.

The experience gained by Aitch across these projects has enabled them to acquire the knowledge and expertise necessary to deliver successful regeneration projects. Aitch Group understand the importance of working with the council to make positive change in these boroughs creating a sense of place, community and ultimately place people desire to live and work.

Our client has a significant land interest in a highly sustainability location, close to a transport node/Belvedere Station within the London Borough of Bexley. We consider that this provides our client and Bexley with an opportunity to contribute to housing delivery, in accordance with Bexley's Growth Strategy and the draft London Plan.



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Following the adoption of their Growth Strategy (2017), the Council are in the process of producing a draft Bexley Riverside Opportunity Area Planning Framework (OAPF), and our client has been in proactive discussions with the Council regarding their land position and the Council's aspirations, and as such are positively engaged in the process.

Belvedere, LB Bexley

Belvedere is a key area of growth within the draft London Plan, the Bexley Riverside Opportunity Area (OA) and Bexley's Growth Strategy. The thorough and extensive local evidence base which formed the basis of the Bexley Growth Strategy identified that the focus of the Belvedere growth area is around the railway station.

Subsequently, within the Growth Strategy, which will inform the OAPF, a new district centre is proposed at Belvedere. It is envisaged that a new neighbourhood will be created around the station, maximising the opportunities to release under used industrial land to contribute to housing and employment growth.

Structure of Representations

We are aware that LB Bexley have prepared and lodged a response to the draft London Plan. Bexley have shared their representations with us and we support these and make reference where appropriate throughout these representations.

Given our clients land interest, we set out our General Comments on the Draft London Plan, Good Growth, Housing Delivery & Location and Industrial Land within Bexley.

General Comments

We welcome the Draft London Plan's objective to pursue '*Good Growth*' and '*build a city that works for all Londoners*'.

We particularly welcome the Draft London Plan's acknowledgement that there is a '*housing crisis*'. This can be defined by current annual rates of housing delivery addressing less than half of identified need.

The scale of activity (especially the '*step change*' in housing delivery) sought in response by the Draft London Plan is going to mean much change across London. This may feel unfamiliar to some local communities. It is therefore crucial that the London Plan is clear to London Boroughs and Londoners about why such schemes are coming forward and should be granted planning permission.

For the London Plan, this means revisiting draft policy so that it encourages landowners/developers to bring forwards schemes.

To achieve the twin objectives of encouraging development to come forward and then be granted planning permission efficiently we recommend the Draft London Plan addresses the following six overarching points:

1. **The social, economic and environmental consequences of not meeting the housing crisis should be clearly set out in the London Plan** - The Draft London Plan does not set minimum housing targets sufficient to meet housing need, it is reliant on unreliable sources of supply and current delivery rates do not provide confidence that the housing targets proposed can be achieved.

The Mayor of London's most recent London Annual Monitoring Report 2015/16 (AMR no. 13) (July 2017) reveals that the current delivery rates fall far below current targets. Moreover, current delivery rates across London are roughly half of the draft London Plan's 64,935 homes target.

As the Draft London Plan recognises, there is already a *'housing crisis'*. The Draft London Plan should contain an authoritative explanation for this, not just in terms of its origins but in terms of the implications if it is not addressed. This could be described as a 'Bad Growth' scenario. As it stands, the Draft London Plan fails to explore and explain these consequences.

2. **The London Plan should provide a presumption in favour of all residential development**
Draft London Plan Policy H2 sets a presumption in favour of the delivery of homes from some (but not all) *'small sites'*. We would like to see this presumption extended to all sites.

Given the scale of London's housing crisis, the Draft London Plan must emphasise that the delivery of new homes should be afforded significant weight when determining planning applications, because of the scale of the housing crisis and the potential consequences of not delivering the new homes that London desperately needs.

A presumption is important because it will elevate this matter as a planning consideration for the decision-maker.

3. **The scale of the 'housing crisis' requires the managed release of protected land for new homes** – The supply of new homes identified in the draft London Plan is reliant upon *'substantially... increasing the rate of housing delivery from small housing sites'* (paragraph 4.2.1).

We do not have confidence that this scale of delivery is achievable. Moreover, whilst delivery from *'small sites'* may be a *'strategic priority'* (draft London Plan paragraph 4.2.1), the referral criteria will almost always preclude the Mayor from directing the development of any new homes at such locations.

In view of the above it is clear that the London Plan must conduct a housing delivery review to consider additional sources of supply. This review should include:

- The release of more land for new homes at appropriate industrial sites, where it can be demonstrated that these proposals can deliver an appropriate living environment and will not prejudice the long-term functionality of the employment / industrial land.

4. **The London Plan must be clear in what 'Good Growth' will involve** – The imperative to optimise development potential will mean development taking place at a scale that may feel unfamiliar to some local communities. The London Plan must be clear about this for the benefit of Londoners and decision-makers.

Explaining the implications of 'Good Growth' also means providing clarity about terms used in the draft London Plan. It is particularly important that the next draft of the London Plan is clear about what is meant by 'character'. The current draft intends different meanings in different sections. This leads to a risk that decision-makers find it harder to justify a resolution to grant planning permission in circumstances where consultees assert harm to a peculiar and subjective definition of 'character'.

It is essential that the meaning of 'character' is addressed for the London Plan to encourage development and help decisions to be made more efficiently. This will almost certainly require the use of different terms across the Plan (e.g. 'physical character' or 'cultural character').

5. **The London Plan must provide more confidence to applicants where development relies on infrastructure capacity** – We support the draft London Plan's objective to use infrastructural improvements (e.g. DLR extension) to support the delivery of new development (especially homes). However, the draft London Plan must provide more confidence to applicants to pursue schemes where funding for such infrastructural improvements is not guaranteed.

6. **Deviating from National Planning Policy** - The London Plan is explicit that *'on some occasions, the Plan deviates from existing national policy and guidance; this is mainly where the Plan is delivering on a specific Mayoral commitment and reflects the particular circumstances of London'* (paragraph 0.0.20).

If the London Plan is to adopt this approach, then it must be explicit where such deviations exist. For example, the fact that the GLA have not used the Government's standardised methodology for calculating objectively assessed housing need and fails to take account of Paragraph 22 of the NPPF, which seeks to avoid the long-term protection of employment sites where there is no reasonable prospect of the land being used for that purpose.

As the Mayor is aware, for the London Plan to be found sound at examination it must be *'consistent with national policy'*. Deviations therefore risk the London Plan being found unsound and rejected at examination.

Good Growth - Bexley

The Mayor defines Good Growth as working to re-balance development in London, and it's about *"delivering a more socially integrated and sustainable city"*. Planning for good growth is identified as a sustainable growth that works for everyone and is the foundation of the draft London Plan as well as Bexley's own recently adopted Growth Strategy.

Bexley adopted their Growth Strategy in December 2017. This has been produced as the result of extensive detailed technical work and consultation, to ensure growth is carefully managed and optimised across the Borough. The Growth Strategy garnered cross party support and proposals within the Growth Strategy emerged through joint working with the GLA and other partners.

The principles for good growth as set out in the draft London Plan are fully supported as the best way to secure sustainable development, whilst the polycentric approach to growth is also a sensible solution to ensuring the best use is made of development opportunities in appropriate locations.

However, the high-level principles of good growth, as set out within Chapter One, should not be prescriptively applied across all London Boroughs, particularly in outer London where specific challenges demand bespoke solutions rather than a one size fits all approach.

Good Growth and Transport

The Growth Strategy acknowledges that *"good growth will be secured by focussing new residential development on a series of well-connected public transport nodes..."* Similarly, the draft London plan states that *"new and enhanced transport links will play an important role in...unlocking new homes"*.

The Bexley Riverside OA includes the areas of Belvedere, Erith, Slade Green and Crayford. In order to accommodate Good Growth there will be significant infrastructure improvements within these areas.

While significant infrastructure improvements are due to come forward, housing delivery should not be stalled until these improvements are delivered. In Bexley, and more specifically Belvedere, there is sufficient infrastructure in place to accommodate additional housing, and this should be acknowledged. In order to achieve the housing targets, housing must come forward in the early stages. Good growth can still occur in the borough utilising the existing infrastructure, with the knowledge that improved infrastructure will be delivered in the future. In order to ensure good growth, the Local Planning Authorities will determine suitable locations where this can occur.

Housing Delivery & Location - Bexley

Bexley's Housing Target in the draft London Plan has seen an almost three-fold increase for new dwellings from 4,457 (446 per annum) to 12,450 (1,245 per annum). The Council's Growth Strategy

identifies a need for 1,050 new dwellings per annum and therefore acknowledges a significant increase in housing demand and need.

Location of Good Growth in Bexley

The disparity between the draft London Plan and the Growth Strategy is the location for sustainable growth.

As set out within the Bexley Riverside OA, the key areas for growth are Belvedere, Erith, Slade Green and Crayford, however the draft London Plan stipulates that this growth must occur on unprotected, non-designated brownfield sites.

Bexley's Growth Strategy develops the principles and locations for growth as established within the Bexley Riverside OA. Extensive research and technical work has identified suitable sites in Bexley, specifically in these four key areas, to ensure the best use is made of development opportunities in appropriate locations.

Industrial Land - Bexley

The Council is clear that Bexley has areas, particularly underused or surplus employment land, near to existing infrastructure that can be put to better use. Through the delivery of new infrastructure within Bexley, these areas will only become more accessible and better suited for alternative uses.

In conjunction with Bexley's representations, we support the 'planning, monitored and managed' approach to the provision of industrial capacity, however there are strong concerns regarding the principle of no net loss of industrial floorspace capacity in overall terms across London.

The current London Plan identifies Bexley as a Borough of managed industrial land release however, the draft London Plan ensures that there will be no net loss of industrial land across all Boroughs (with the exception of Barking and Dagenham, Havering and Newham). The draft London Plan identifies that Bexley must retain its industrial floorspace capacity.

As set out within Bexley's representations, Bexley has historically not released industrial land to other uses in excess of London Plan monitoring benchmarks. Bexley should not be penalised because other parts of London may have previously released too much Industrial Land. The planning and managed release of industrial land, particularly in the north of the Borough is *essential* to unlocking growth in Bexley and meeting increased housing delivery requirements.

The draft London Plan identifies three boroughs in the 'Limited Release' of capacity (all in the Thames Gateway). In further support of Bexley's representations, we strongly consider that Bexley, also a Thames Gateway borough that includes one of the largest OAs in London, shares the same characteristics of the Boroughs that are earmarked for limited release, including an above average vacancy rate, and should therefore be in the limited release category.

As previously mentioned, requiring no net loss of industrial floor space fails to take account of Paragraph 22 of the NPPF, which seeks to avoid the long-term protection of employment sites where there is no reasonable prospect of the land being used for that purpose.

Release of Underused Industrial Land

Whilst Bexley's Growth Strategy proposes no net loss of existing industrial floor space in overall terms across the borough, it considers that some existing industrial land could be redeveloped for residential uses. Within Bexley there are large areas of vacant or underused industrial land in sustainable locations.

One of Bexley's aspirations, and key elements of the adopted Growth Strategy, is to release vacant or underused industrial land in areas with the potential to be well connected and particularly around railway stations and town centres.

Whilst it is understood that the draft London Plan seeks no net loss of industrial floorspace, there is an opportunity within Bexley to redistribute and consolidate industrial estates, thereby releasing under-utilised industrial land in sustainable locations. Bexley are not seeking to replace existing industrial land with residential development. Instead, lost industrial floorspace will be re-provided through improvement, intensification and densification of core industrial areas ensuring a more efficient use of industrial land.

Through extensive research, which informed the adopted Growth Strategy, Bexley have identified that there are significant land resources in the borough that could be made available for residential-led development.

Affordable Housing

The draft London Plan sets a requirement of 50% affordable housing on Industrial Land, where it is to be released. This figure is significantly above current delivery levels and very challenging in the context of relatively low residential values, pressing infrastructure needs and high remediation costs.

This figure would be extremely challenging for many schemes in Bexley due to viability issues. Low land values and high build costs combined with the need to provide other essential social infrastructure on site, means there is little choice for the Borough but to accept lower levels of provision or defer contributions until later phases in the expectation of capturing subsequent uplifts in value.

In Bexley, the value of land in industrial use in some areas can be equivalent to land in residential use, making a 50% requirement for affordable housing unachievable. The requirement for affordable housing on industrial land should be determined by the Local Planning Authority, understanding local circumstances to ensure this does not become a trigger to stall housing delivery.

Intensification of Existing Employment Land

Borough's should be allowed to define the nature or form of intensification as appropriate to their local areas and economic profile. In doing so, boroughs are allowed to proactively manage growth in its OA's due to the 'no net loss' principle attributed to industrial floor space in the draft London Plan.

Bexley's industrial land is currently dispersed across the Borough, resulting in fragmented pockets of industrial land-use. The Growth Strategy, where appropriate, seeks to reconfigure employment sites to create better-integrated, higher density and higher value locations, in the context of proposed connectivity improvements.

Bexley's substantial areas of employment land, away from growth hubs, are ripe for intensification. By concentrating development in these areas, significant regeneration benefits can be secured, and economic development opportunities realised. In doing so, the borough would see a logical redistribution of land uses, resulting in new sustainable neighbourhoods, rather than urban sprawl.

This would seek to echo the draft London Plans aspiration for no net loss of industrial floorspace, however this would be in overall terms across the borough. Through the intensification of remaining employment areas, there could be an increase in site coverage and plot ratios, development of mezzanines and creation of shared facilities.

Summary

While many of the objectives of the plan can be supported in principle, there are significant differences between the draft London Plan and the Council's adopted Growth Strategy. The emphasis in both

documents is to maximise development sites in sustainable locations, however the draft London Plan seeks to protect and restrict certain areas from redevelopment.

Bexley's adopted Growth Strategy was informed by a thorough and extensive local evidence base determining the most sustainable areas for growth. Elements of the draft London Plan are too prescriptive and therefore undermine the work carried out by the borough to come to their conclusions, identifying locations for good growth. The draft London Plan should provide Local Planning Authorities with an opportunity to defer from policy where sufficient and robust evidence can be provided to demonstrate that deviating from policy can still result in good, sustainable growth and contribute to the housing delivery targets.

We trust that these representations will help the Mayor refine the next draft of the London Plan and we look forward to engaging with the Mayor and his team at City Hall throughout the plan adoption process.

If there is anything that Officers would like to discuss, please do not hesitate to contact us at these offices.

Yours sincerely,

[REDACTED]
Director

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