

East of England Response to the Draft New London Plan Consultation

27 February 2018

1. INTRODUCTION

- 1.1 The London Plan plays a significant role in ensuring that London is able to address its future challenges, including the increasing pressure on Land, Infrastructure and the Environment. The current draft London Plan is ambitious and if delivered could achieve positive outcomes for both London and the Wider South East (WSE), and is thus broadly welcomed by councils in the East of England. In particular, the Mayor of London's vision to secure "good growth", which is defined as economically and socially inclusive growth and more genuinely affordable homes are principles worthy of support.
- 1.2 As a package of strategies, approaches and policies, the Plan is proactive and comprehensive, however there remain challenges and uncertainties arising for councils in the East of England from the current draft Plan, which are set out below.

2. KEY ISSUES / MESSAGES

- Councils in the East of England are generally supportive of the package of strategies, approaches and policies and particularly the six core Good Growth policies. And welcome the commitment to meet the vast majority of London's housing needs within London.
- Clarification is required in the Plan with respect to:
 - a) The scale of housing need in the period to 2029 (it appears to be substantively greater than that averaged out over the period to 2041). A technical note on London's housing requirement evidence base, which forms part of the East of England response, is attached as **Appendix 1**.
 - b) The Mayor of London's intentions with regard to 1,000 homes per annum that it would appear there are no proactive proposals to plan for (the difference between housing need and housing supply).
 - c) How any housing delivery failure will be managed within London as part of a Full Review of the Plan (along with a commitment as to how such a review would be triggered).
 - d) There remains ambiguity with respect to the "willing partners" approach, and clarification is sought on London's intentions with regard to looking to longer term approaches and timeframes for growth management within the Wider South East.
 - e) The need to further consider the impact of intensification of industrial land as part of the process of limited employment land release and greater clarification of the advantages of relocation of businesses in collaboration with Wider South East authorities.

3. WIDER SOUTH EAST AND WILLING PARTNERS

- **Policy SD2: Collaboration in the Wider South East (and supporting text)**

- 3.1 In this particular plan, there is recognition that London is not an island and that its economy is inextricably linked with the WSE. Reference is made to the WSE collaboration arrangements which complement the duty to cooperate, at chapter 2 of the draft London Plan. The WSE collaboration

arrangements thus present a vital opportunity with respect to engaging willing partners, a point that was reflected in the Mayor of London's address to the WSE Summit on 26 January when he reiterated his commitment to strengthening continued joint working.

- 3.2 Elected members and officers from the East of England have been working with the Mayor of London's team closely since 2013 and have been calling for stronger commitment from the Mayor to this collaboration effort. Thus, enshrining in policy continued co-operation across the WSE on this range of topics is welcomed.

- **Policy SD3: Growth Locations in the Wider South East and beyond (and supporting text)**

- 3.3 In this draft plan, the Mayor also commits to working with relevant WSE partners, Government and other agencies to realise the potential of the wider city region through investment in strategic infrastructure to support housing and business development in growth locations to meet need and secure mutual benefits for London and relevant partners (Policy SD3 on Growth locations in the Wider South East and beyond). It is in this context that the Mayor presents his interest in working with willing partners, stating that: *'Given the pressure for growth in both London and the WSE, the barriers to housing delivery that need to be overcome to avoid a further increase of the backlog, and potential changes to projections over time, it is prudent to plan for longer-term contingencies. Therefore, the Mayor is interested in working with willing partners beyond London to explore if there is potential to accommodate more growth in sustainable locations outside the capital.'*(2.3.4) This seems to suggest the possibility of locations beyond the capital being suitable to accommodate not only growth generated there, but also some of London's growth – a prospect that many councils in the East will object to. As such any such discussions with relevant partners need to be as part of an agreed process that is transparent and provides mutual benefits to London and localities outside of London's boundaries.

- 3.4 At the WSE Summit on 26 January 2018, the Mayor reiterated his commitment to work with willing partners, stressing that the GLA aims to explore with councils how to work better together and address the concern that London simply wants to export its problems and challenges. Indeed councils in the East of England welcomed the recognition by the Mayor in his draft Economic Strategy that the WSE has overlapping economies and his desire to build stronger economic partnerships.

- 3.5 In illustrating London in its wider regional setting the Plan identifies the thirteen WSE Strategic Infrastructure Priorities that have been endorsed by the WSE partners through the WSE Political Steering Group and Summits (Figure 2.15 – Wider South East – 13 Initial Strategic Infrastructure Priorities). Councils in the East support the Plan's recognition that collaboration with willing partners could help alleviate some of the pressure on London while achieving local ambitions in the WSE for growth and development, recognising that this may require further infrastructure.

- 3.6 The purpose and intentions of Policy SD3 and its supporting text are not at all clear. The text of the policy appears to relate to investment in strategic infrastructure (presumably transport) to support growth where there are relationships to London (though the title of the policy suggests it is about growth locations beyond London). But when one turns to the supporting text, the focus seems to turn away from infrastructure and towards the delivery challenges associated with housing growth:

*'...that as far as possible sufficient provision will be made to **accommodate the projected growth within London**.....'*

*The GLA's new **Strategic Housing Market Assessment** shows that London has a need for approximately 66,000 additional homes a year. The Strategic Housing Land Availability Assessment suggests that London has the capacity for around 65,000 additional homes a year and the housing targets in this Plan reflect this.....'*

Despite this Plan seeking to accommodate the vast majority of London's future growth, some migration will continue.....'

*Given the pressure for growth in both London and the WSE, the barriers to housing delivery that need to be overcome to avoid a further increase of the backlog, and potential changes to projections over time, it is prudent to plan for longer-term contingencies. Therefore, the Mayor is interested in **working with willing partners** beyond London to explore if there is potential to accommodate more growth in sustainable locations outside the capital.’ This seems to start to explore the possibility of locations beyond London being suitable to accommodate not only growth generated there, but also some of London’s growth. This message is then reinforced in paragraphs that follow:*

‘.....The focus is on locations that are (or are planned to be) well-connected by public transport and where development can help meet local growth aspirations as well as wider requirements. Recognising that investment in public transport can often bring significant benefits to wider areas, such partnerships could focus on optimising rail capacity between London, the wider region and beyond. Another area of focus could be proposals for new/garden settlements with good links to London.....’

.....Collaboration with willing partners can help alleviate some of the pressure on London while achieving local ambitions in the WSE for growth and development, recognising that this may require further infrastructure.....’

*.....The Mayor will work with key **willing partners**, including local authorities, Local Enterprise Partnerships, the National Infrastructure Commission and Government, to explore strategic growth opportunities where planning and delivery of strategic infrastructure (in particular public transport) improvements can unlock development that supports the wider city region.....’*

.....The Mayor continues to encourage authorities outside London to become willing partners and work with the capital on opportunities for growth, where mutual interest can be achieved.’

- 3.7 The ‘willing partners’ approach appears to relate to ‘longer-term contingencies’, though ‘longer term’ is not defined. It may well be that this whole section of the Plan is designed to pave the way for a strategic dialogue between London and the WSE and beyond about how the next tranche of strategic growth (demographic and economic) is to be managed, including exportation of London growth, **for the period post-2029**. Reference is made, for example, to the National Infrastructure Commission being one of the ‘willing partners’ and this could reflect a view by the Mayor that initiatives such as the Oxford-Cambridge Corridor and the scale of growth potential within it represent a strategic opportunity to help address growth pressure not only within the corridor itself, but from other areas, including London. If this is the case then it resembles the very dialogue the Inspector into the Further Alterations was expecting to have happened to inform this Plan.
- 3.8 The supporting text contains a diagram of the strategic infrastructure priorities in the wider south east and beyond where the Mayor states *‘Some of these orbital priorities may have more capacity to accommodate additional growth than the radial ones’* (2.3.6). The Mayor appears to view these transport infrastructure priorities as potentially suitable for his ‘willing partners’ approach. In developing these infrastructure priorities the authorities beyond London have been clear that their purpose is to identify infrastructure priorities, which while supporting growth, should not be construed as growth corridors. Associating these infrastructure priorities within the Mayor’s approach to ‘willing partners’ on managing longer term growth potentially takes their scope beyond that agreed within the WSE political arrangements.
- 3.9 The authorities in the East of England call for:
- a discussion within the Wider South East political arrangements seeking clarification about what the Mayor of London’s intentions are in relation to this section of the Plan – is it designed to commence a dialogue in relation to post 2029 scenarios?
 - a redraft of the policy and supporting text to reflect that clarified position.

- the need to remove any suggestion that the strategic transport infrastructure priorities are growth priorities/corridors and perhaps the transfer of text relating to infrastructure priorities to the transport section of the Plan along with additional text about their purpose and how they are to be taken forward.

4. LONDON'S HOUSING NEED AND ITS ABILITY TO MEET THIS REQUIREMENT

- **Policy GG4: Delivering the Homes Londoners Need**
- **Policy H1: Increasing housing supply (and supporting text)**
- **Policy H2: Small sites (and supporting text)**
- **Policy H3: Monitoring housing Targets (and supporting text)**

4.1 The Draft London Plan states that London “*aims to accommodate all of London’s growth within its boundaries without intruding on its Green Belt or other protected open spaces. As with any successful urban area this does not mean that in- and out-migration will cease, but that as far as possible sufficient provision will be made to accommodate the projected growth within London.*” (2.3.1). Councils in the East of England broadly support this commitment.

4.2 However, there are a numbers of matters that need to be clarified and resolved as the Plan progresses, some of which are likely to require modifications to the Plan.

4.3 Councils in the East have concerns that:

4.3.1 Whilst the new Draft London Plan goes up to 2041 and contains an ambitious 10 year housing supply, it is less clear across the policies what will happen with housing in the longer term.

4.3.2 **Missing 1,000 dpa (dwellings per annum)** - the Plan identifies a need for 66,000 dpa and considers it has capacity to (and contains specific policies and targets to) deliver 65,000 dpa. The previous London Plan, which similarly failed to proactively plan specifically for the level of identified need (but in that case the gap was 7,000pa), contained policy wording (*‘Boroughs should draw on the housing benchmarks in table 3.1 in developing their LDF housing targets, augmented where possible with extra housing capacity to close the gap between identified housing need.....’*) that sought to encourage London Boroughs to exceed their specific housing targets to make inroads into managing the 7,000pa shortfall between ‘need for’ and ‘plan for’. The current draft Plan contains no such wording. What is the approach of the London Plan to the ‘missing 1,000 dpa’?

4.3.3 **Level of housing need** – for the purposes of identifying a level of housing need to plan for within the Plan, assessed housing need has been identified for the period 2016-2041, averaged out to identify an average annualised figure and then that annual average applied to the ten year period 2019-2029. That 25 year average annual figure is 66,000pa. But if one looks at the need for the period 2016-2029 – the housing timeframe of the Plan - it appears that need rises by at least 10,000pa. Clarification on this matter has been sought from GLA but at the time of writing has not been received. If correct, this potential shortfall of provision planned for against need has potentially significant implications both for London and areas beyond. The Plan preparation process needs to clarify if this position is indeed the case and if it is, justify why it is not appropriate to meet the assessed level of need, as well as identify the likely consequences of not meeting it (see **Appendix 1**).

4.3.4 **Housing delivery failure?** - The Further Alterations published in 2015 identified a housing need of 49,000 dpa and a housing target of 42,000 dpa. In practice, London struggles to deliver half of its need and a recent high in delivery in 2014/15 of 32,440 was still 17,000 dpa short of the annual level of need and 10,000 dpa short of the extant London Plan target. In the period 2001/2 to 2014/15 average annual housing delivery within London was 27,444 dpa. Housing delivery failure against London Plan targets is a consistent and ongoing theme. There would clearly be a range of potential serious consequences if housing delivery within London continues to fail – both within and beyond the capital (exacerbating the tendency to migrate, increasing commuting, increasing migration assumptions within official population

projections, etc). Given the scale of the challenge ahead it would seem prudent to plan for the possibility of failure and the Plan is not as clear as it might be in terms of what would happen were failure to materialise. The Mayor of London himself recognises that the London housing crisis ‘.....is unacceptable and I am determined to make a difference. I have been honest with Londoners from the start – we are not going to be able to turn things around overnight. This is going to be a marathon, not a sprint. But we are working hard every day and we have already started to take big steps forward’ (Foreword, London Housing Strategy September 2017). Even the Mayor does not appear to expect a significant change in the short and even perhaps medium term.

4.3.5 Informally the GLA has confirmed that were housing delivery within London to continue to fail, this would be dealt with by a review of the London Plan, not by placing expectations upon local authorities beyond London. Despite this, however, it is possible to envisage a scenario in which local planning authorities bringing forward local plans beyond London are pressurised by some parties, and perhaps asked by Inspectors, to explain how they propose to address housing delivery shortfall within London – are they to uplift their housing targets? Given this potential eventuality, confirmation is required within the Plan (probably within both policy and supporting text) that housing delivery failure is a matter for London and would be dealt with by means of a review of the Plan. It may also be appropriate for the Plan to include a trigger point for such a Review – a specific number of years of failure, for example – supported by appropriate monitoring frameworks and policy wording to set out contingencies/actions in the event that delivery falls short of housing and infrastructure policy requirements. This would demonstrate how London is progressing on its ambitions and avoid the risk of unintended and unplanned consequences beyond London.

- **Policy H16: Gypsy and Traveler accommodation (and supporting text)**

4.4 At paragraph 4.16.2 of the Draft London Plan, the Mayor has adopted a new definition of Gypsies and Travellers which is different to the Government. It is unclear whether the London Boroughs have agreed to this new definition as paragraph 4.16.6 is in fact a requirement of all of them. Additionally, 4.16.7 of the Plan states that London Boroughs should actively plan for Gypsies and Travellers’ accommodation needs. The Plan does not clarify the position if this need cannot be met and what steps should be taken to address unmet need.

5. **TRANSPORT**

5.1 The economy of the East of England is inextricably linked to London’s economy and the region plays an important role in complementing and enhancing the position of London as a world city. However the historical neglect in transport investment in the region risks jeopardising the future growth not just of the region but also of London and the broader WSE.

5.2 London’s ambition to create a transport network that is sustainable and able to provide for its growing population is welcomed, however if London is to achieve the vision set out in the Mayor’s Transport Strategy and the Draft London Plan, it is suggested that the Mayor of London would benefit from supporting partners outside of London in key strategic projects and ensuring that there is meaningful engagement on transport beyond its borders. One such opportunity would be for the Mayor to demonstrate this commitment by supporting the Metropolitan Line Extension which has recently stalled following TfL’s withdrawal from the completion of the scheme.

5.3 The Mayor’s sustainable transport ambitions (in relation to extending TfL’s franchise, car travel and air pollution in particular) also need to be considered in a wider context and conversations with those councils most likely to be impacted on London’s borders, for example in Essex and Hertfordshire, need to be given greater priority.

5.4 There is a need for cross-border relationships between TfL and transport bodies and councils in the East of England to be strengthened so that different modes of transport can be linked up and planned more effectively in advance to enable the effective delivery of the growth ambitions of London and its neighbouring authorities. In order to achieve the Mayor’s ambitions in relation to upgrading of rail freight routes especially to the growing ports on the Thames, Felixstowe and Harwich, and

improvements to surface links to airports, the Mayor of London is asked to collaborate with councils in the East and wider partners to make the case for expanding road and rail capacity both within and outside of London.

5.5 [The East of England LGA response to the Mayor of London's Transport Strategy](#) on 2 October 2017 should be considered in conjunction with this response.

6. EMPLOYMENT

6.1 The forecasts of employment growth come from GLA's own forecasts. Councils in the East are reviewing how these projections compare to our own, principally through the East of England Forecasting Model.

- **Policy SD4: The Central Activities Zone (supporting text para 2.4.3)**
- **Policy SD5: Offices, other strategic functions and residential development in the CAZ**
- **Policy E1: Offices (and supporting text)**

6.2 The policy emphasis on offices is understandable given London's forecast growth in office-based employment of 619,300 over the 25 years of the plan. At 24,772 per annum, this is 64% more than the 15,150 per annum in the current adopted plan. The LSE's review of research noted the relationship between London's employment growth and commuting and highlighted that managerial-technical occupations account for over 75% of net commuting into London and the entire growth in net inward commuting between 2004 and 2016 ([LSE, Review of Research on Migration Influences and Implications for Population Dynamics in the Wider South East](#), page 78). Given that London's own research highlights that most (288,800) of the increase in office employment will occur in the Central Activity Zone, and that commuting from the WSE is so significant, there is a clear need to deliver a wide range of transport measures to meet this increase in demand.

6.3 The Draft London Plan places the potential for Stratford to act as a satellite for major office space but only after demand has exceeded the capacity of the Central Activity Zone and the Northern Isle of Dogs. The London Plan should be setting a positive framework to facilitate development and this hierarchy should not restrict the potential for "good growth" to occur in these satellite locations even if there is capacity within the other areas.

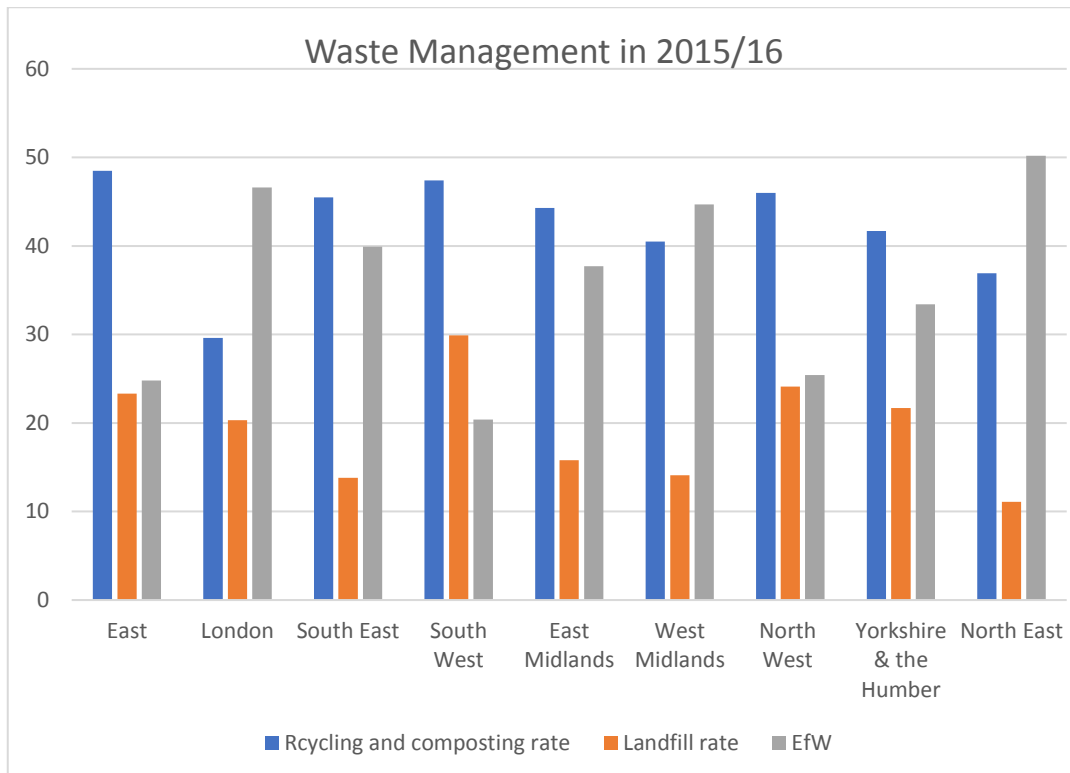
- **Policy E4: Land for Industry, logistic and services to support London's economic future (and supporting text)**
- **Policy E5: Strategic Industrial Land (SIL)**
- **Policy E7: Intensification, co-location and substitution of land for Industry, logistics and services to support London's economic function (and supporting text)**

6.4 Authorities are also concerned that the processes from redevelopment of industrial land would be ad hoc and welcome the commitment in the London Plan for a strategically co-ordinated process that focuses on intensification as well as the potential for substitution outside London where there is local agreement (policy E7).

6.5 The three boroughs identified for limited release of industrial land and floor space are boroughs within the Thames Gateway that link to authorities within the East. The limited release is based on these areas having relatively low values and high vacancy rates. Notwithstanding the general supportive position of the economy policies in the draft London Plan, such as the aim for no net loss of industrial land uses, the application of the intensification approach needs to be applied within these areas. London's industrial study highlighted that two of the three areas assigned for limited release (Havering and Barking & Dagenham) actually saw net increases in floor space between 2001-2016. The report also notes that "there are some signs that occupiers and developers who would previously only consider west London locations are now looking to the east" ([CAG, London Industrial Land Demand, page 213](#)). These factors indicate that pursuing of intensification in these areas is a justified approach and the interaction between the proposed policies could be clearer in this regard.

- 6.6 The protection afforded to secondary materials and waste management in the policies (E4 and E5) is welcome and benefits the vitality of the wider waste supply chain but, so to link with the safeguarding policy on aggregates (SI10), reference could also be made to aggregates within the economic policies.
- **Policy E5: Strategic Industrial Land (and supporting Text)**
 - **Policy E7: Intensification, co-location and substitution of land for Industry, logistics and services to support London’s economic function (and supporting text)**
 - **Policy E8: Sector Growth and Clusters (and supporting text)**
- 6.7 Policies within the draft London Plan (E5, E7 and E8) refer to the potential of relocating some employment to the WSE and collaborative working with authorities outside London on this matter. At the Wider South East Summit, the Mayor referred the Royal Opera House’s linkage to Thurrock and the Deputy Mayor agreed to joint research on the location of firms. Councils in the East welcome the recognition of the wider economic aspects and that London’s policy and evidence base reflects on the office and industrial markets in the Wider South East.
- 6.8 Representatives of the GLA have also previously expressed an interest in moving jobs into the WSE. There would be a mutual benefit to London and East of England residents if our economic prospects were aligned so that more jobs were created and, if necessary, moved from London particularly if people were enabled to live and work locally – thereby easing pressure off London’s already strained transport network and housing. It would be helpful if as part of the London Plan, the Mayor of London set out *activities* related to aligning economic development opportunities across the WSE alongside local authorities and Local Enterprise partnerships. This would enable willing partners to better identify opportunities for collaborating with London and help develop a more sustainable approach to managing growth in London and the WSE as a whole.
- 6.9 There is scope for further collaboration surrounding the economic linkages. The LSE’s migration review noted that, the economic interconnections have “matured to a stage where almost all of it is integrated in one economic agglomeration” ([LSE, Review of Research on Migration Influences and Implications for Population Dynamics in the Wider South East](#), page 23). The economic development activities such as the [Tech Nation 2017 Survey](#), [TechCity](#) and [MedCity](#) are not just relevant to London but can be linked to supply-chains and sectoral linkages throughout the WSE. The emphasis on linkages through academic research institutes in Oxford and Cambridge through MedCity is a clear example and authorities in the East are interested in exploring other economic linkages further. The draft London Plan contains supportive policies to restrict the permitted development rights on conversion of office to residential.
- 6.10 Many towns outside of London have also lost office space under existing permitted development rights and face difficulty attracting replacement businesses. Businesses do not necessarily consider opportunities beyond London’s boundary and may need a nudge to encourage them to invest in areas outside of London. High quality employers are key to sustainable local growth and there would be a mutual benefit to London and councils areas in the East if more jobs were created outside of London so that more residents were able to live and work locally – thereby easing pressure off London and the region’s already strained transport network and housing.
- 6.10 It is noted in Policy E8 that the Mayor of London has identified a number of sector-specific opportunities and challenges and these sectors are also addressed in the Mayor’s draft Economic Development Strategy for London. The East of England considers that additional wording should be included in the supporting text to this policy to recognise the mutual benefits of the Mayor working with the Wider South East authorities to maximise growth of these sectors through collaborative working on the location of key clusters and hubs, development of ancillary/spin-off industries, and provision of supporting infrastructure and skill and training.
7. **LONDON’S WASTE MANAGEMENT**
- **Policy SI7: Reducing waste and supporting the circular economy**
 - **Policy SI8: Waste capacity and net waste self-sufficiency (and supporting text)**

- 7.1 The key task for Waste Planning Authorities (WPAs) in the East of England is the provision of sufficient waste management capacity for the equivalent quantity of waste arising in their area, together with an additional quantity of waste that is received from London. While the London Plan aspires to self-sufficiency, the reality of providing waste management facilities in London is very challenging, particularly in the current context in which housing takes priority over industrial development, especially potentially “bad neighbour” uses such as waste management facilities.
- 7.2 Historically London has been dependent on landfill void in both the East of England and the South East of England for disposal of its residual waste, and this is still the case to a significant degree. However, landfill sites in the East of England have now largely closed and the cost of landfilling biodegradable waste is extremely high, largely due to the landfill tax which currently stands at £86.40 per tonne.
- 7.3 The authorities in the East of England have some of the highest recycling rates in the UK as shown in the graph below:



It can also be seen that the East of England has the second lowest level of residual waste treatment by energy from waste, with the South West having the lowest.

- 7.4 The East of England Waste Technical Advisory Group have prepared a response in relation to waste matters in the London Plan. This has been drafted in collaboration with the Waste Authorities in the East of England and should also be considered as forming part of the East of England LGA response to the London Plan on waste matters. A copy of this response is attached at **Appendix 2**.

Appendix 1: London's housing requirement evidence base – East of England technical note

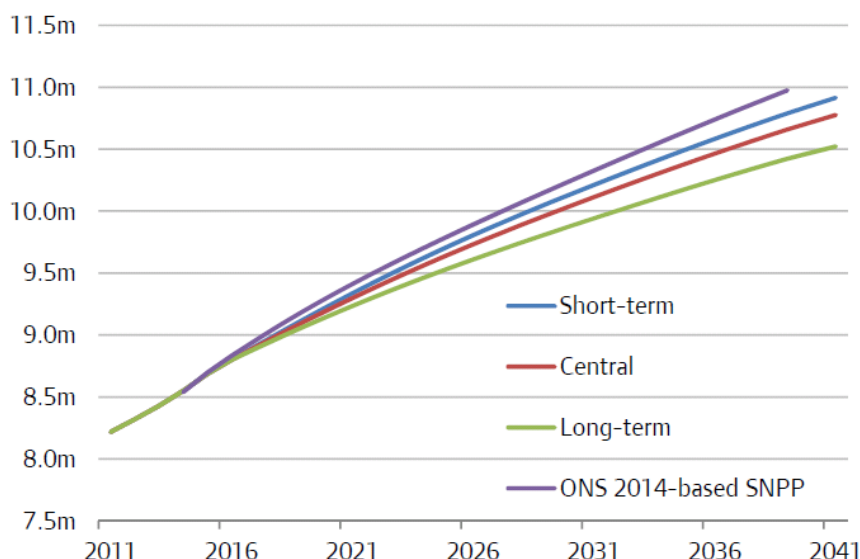
1. Introduction

- 1.1 The 2017 London Strategic Housing Market Assessment (SHMA) sets out estimates of London's current and future housing requirements, to inform the development of the Mayor's London Plan and London Housing Strategy. (SHMA, para. 0.1)
- 1.2 The SHMA's approach to estimating housing requirements comprises three main elements which broadly determine the overall scale and mix of requirements identified: projected changes in the number and mix of households in the area; the affordability of different types of housing when compared to household incomes; any adjustments that need to be made to clear backlogs of housing need or to respond to market signals. (SHMA, para. 6.7)

2. Projected household growth

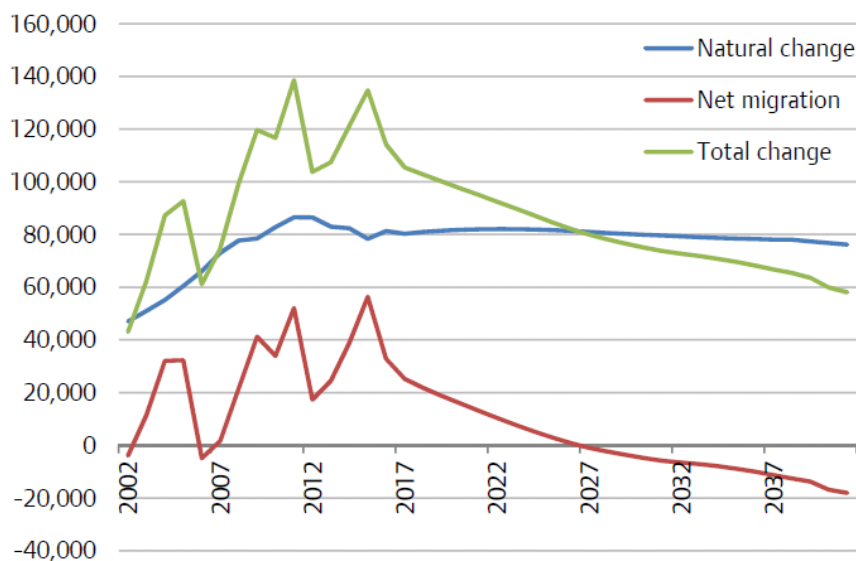
- 2.1 Household growth is estimated using household projections, which are derived by applying household formation rates to projected population growth. The GLA's central population and household projections are used as the basis for the main analysis of housing requirements in the SHMA. (SHMA, para. 6.9)
- 2.2 Since its inception, the GLA has been producing its own in-house demographic projections, using inputs and assumptions that it considers the most appropriate for London. The GLA's population projection model is based on the standard cohort-component method. Though conceptually similar, the models used by the GLA and ONS differ in methodology and assumptions. In September 2016 the Centre for Population Change at the University of Southampton was commissioned to undertake an independent review of the GLA model. Their report found that, "Overall, the GLA model utilises the best data sources available together with a trusted projection method to obtain credible estimates of future population". (SHMA, para. 3.2, para. 3.49, para. 3.50, para. 3.3)
- 2.3 The GLA has produced three population projections based on different migration scenarios. The methodology is the same in each case with the only difference being the period of past migration data used to determine the migration patterns projected forward. These projections are designated as the *short*, *central*, and *long-term* projections and are based on five, ten, and fifteen years of past migration data respectively. (SHMA, para. 3.51)
- 2.4 The GLA believes that for strategic longer-term planning purposes a projection which uses migration rates based on an average of ten years' past data is more realistic and robust than one based on a shorter five-year period (as is the case with the ONS official projections). (2016-based projections Wider South East results, page 2)
- 2.5 In 2017 the London School of Economics was commissioned by the East of England LGA to undertake a review of research on 'Migration Influences and Implications for Population Dynamics in the Wider South East'. Their report (Foreword, page 2) highlights that: "GLA demographers have worked up projections based on 5, 10 and 15 year base periods, taking the middle set as their central forecasts, on the (reasonable) basis that 'For a long-term projection informing strategic planning, a migration rate which is representative of the character of migration across a full economic cycle is, more robust than one which captures only part of that cycle'. Assessing the appropriateness of these projections is not part of our brief. But, by trying to understand what has caused the rather large fluctuations in London migration during the last 15 years or so, we hope to clarify what the implications may be of taking some or all of this period as a baseline for the population forecasts adopted in the London Plan and others within the Wider South East."
- 2.6 Figure 1 shows the projected growth of London's population for the three variants of the GLA's 2016-based projections and the 2014-based ONS subnational projection. The central projection gives a 2041 London population of 10.8 million, representing an annualised growth rate of 79,000 relative to the base of the 2016 population. (SHMA, para. 3.56, Fig 27)

Figure 1: Projected total London population, 2016-based GLA projections



2.7 Figure 2 shows the projected components of population change for the central projection. Total population growth is projected to fall from 105,000 in the year to mid-2017 to 58,000 for the year to mid-2041. Over this period, the contribution of natural change is steady at approximately 80,000 a year. The slowing of the growth rate is therefore due to the changing contribution of migration, projected to fall from a net inflow of 25,000 a year to a net outflow of 18,000. (SHMA, para. 3.60, para. 3.61, Fig 29)

Figure 2: Components of population change, GLA 2016-based central trend



2.8 Figures 1 and 2 show that, whilst the annualised growth rate is 79,000 for the period 2016 to 2041, the slowing of the growth rate means that for the period 2016 to 2029 the annualised growth rate is higher than 79,000, as Table 1 shows.

Table 1: Projected total and annualised population growth, GLA 2016-based central projection

London's projected population growth	Total	Annualised
2016 to 2029	1,170,000	90,000
2029 to 2041	810,000	68,000
2016 to 2041	1,980,000	79,000

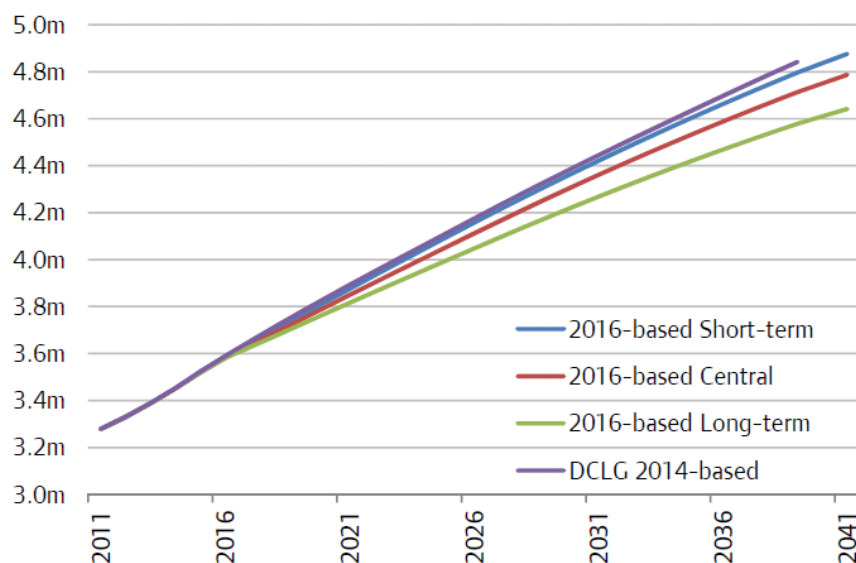
2.9 The GLA 2016-based population and household projections are the first GLA projections to include data for all local authorities in England and national data for Wales, Scotland and Northern Ireland. Table 2 shows the projected change in population over the period 2014 to 2039. This is in line with the projection period of the official projections and is therefore the best basis for comparison across the projections. (2016-based projections Wider South East results, page 6)

Table 2: Comparison of projected total population growth, GLA 2016-based central projection, ONS 2014-based subnational projection

Total population growth 2014 to 2039	GLA	ONS	Difference
London	2,108,705	2,436,862	-13%
<i>Annualised</i>	<i>84,348</i>	<i>97,474</i>	<i>-13%</i>
East of England	1,207,832	1,219,194	-1%
Bedford, Central Bedfordshire and Luton	174,927	188,282	-7%
Cambridgeshire and Peterborough	174,838	164,958	6%
Essex, Southend-on-Sea and Thurrock	353,058	367,365	-4%
Hertfordshire	255,283	276,453	-8%
Norfolk	145,348	137,822	5%
Suffolk	104,379	84,315	24%
South East	1,612,669	1,634,612	-1%
Rest of England	3,869,170	3,674,237	5%
England	8,798,376	8,964,905	-2%

2.10 The difference in the annualised growth for London between the GLA central projection and the official projection is 13,126 persons with the GLA projection providing the lower figure. Both the East of England region and the South East region show little difference between the GLA preferred scenario and the official projection, with the county of Suffolk seeing the biggest difference within the East of England region. No region sees as big a difference as that observed in London meaning that the lower population in London is distributed throughout the UK rather than being localised in any particular region. (2016-based projections Wider South East results, page 7)

Figure 3: Projected total London households, 2016-based GLA projections



- 2.11 Both the underlying population projections and the resulting household projections are sensitive to the data and assumptions used. The model used by the GLA to convert population into households replicates as closely as possible the operation of the most recent DCLG model. Differences between the DCLG and GLA household projections are therefore primarily a result of differences in the underlying population projections. (SHMA, para. 6.10, para. 3.53)
- 2.12 Figure 3 (overleaf) shows the projected trend in the total households for the three GLA projection variants and the DCLG 2014-based household projections. The central projection gives 4.79 million households by 2041, an increase of 1.2 million from 2016 at an annualised rate of 48,200 a year. (SHMA, para. 3.73, Fig 36)
- 2.13 Overall, the number of households in London is projected to increase by 34% over the period 2016 to 2041. (SHMA, para. 3.76) However, whilst the annualised growth rate is 48,200 a year over the 25-year period, for the period 2016 to 2029 the annualised growth rate is higher than 48,200, as Table 3 shows.

Table 3: Projected total and annualised household growth, GLA 2016-based central projection

London's projected household growth	Total	Annualised
2016 to 2029	681,400	52,400
2029 to 2041	523,800	43,700
2016 to 2041	1,205,200	48,200

- 2.14 As with the population projections, the GLA 2016-based household projections include data for all local authorities in England. Table 4 shows the projected change in households over the period 2014 to 2039. The difference in the annualised growth for London between the GLA central projection and the official projection is 5,125 households with the GLA projection providing the lower figure. (2016-based projections Wider South East results, page 7)

Table 4: Comparison of projected total household growth, GLA 2016-based central projection, DCLG 2014-based subnational projection

Total household growth 2014 to 2039	GLA	DCLG	Difference
London	1,261,735	1,389,838	-9%
<i>Annualised</i>	<i>50,469</i>	<i>55,594</i>	<i>-9%</i>
East of England	651,408	655,949	-1%
Bedford, Central Bedfordshire and Luton	91,133	95,193	-4%
Cambridgeshire and Peterborough	89,642	89,379	0%
Essex, Southend-on-Sea and Thurrock	185,065	191,617	-3%
Hertfordshire	136,969	144,221	-5%
Norfolk	82,273	78,174	5%
Suffolk	66,326	57,365	16%
South East	930,900	925,233	1%
Rest of England	2,383,560	2,286,091	4%
England	5,227,603	5,257,111	-1%

3. Adjustments to projected household growth in response to market signals

- 3.1 According to the GLA's central 2016-based household projection the projected number of households in London in 2016 is 3.58 million. The projected total number of households in 2041 is 4.79 million, 1.21 million more than the projected 2016 total of 3.58 million. However, actual survey estimates of the number of households in London in 2016 are lower, because household formation has been constrained by factors including a shortage of housing. The estimated number of households in London in 2016 is 3.40 million. (SHMA, para. 7.8, para. 7.4, para. 7.10)
- 3.2 Using this estimate of 3.40 million households in London in 2016, ignoring second/vacant homes, affordability and backlog need, the net annualised requirement for new homes between 2016 and 2041 is 55,540. (SHMA, para. 7.10) However, the net annualised requirement for new homes between 2016 and 2029 is higher than 55,540, as Table 5 shows.

Table 5: Estimated total and annualised housing requirement based on household growth

London's household growth-based housing requirement	Total	Annualised
2016 to 2029*	864,670	66,513
2029 to 2041	523,824	43,652
2016 to 2041	1,388,494	55,540

*The projected total number of households in 2029 is 4.26 million.

- 3.3 Affordability is a critically important factor in determining the tenure mix of the housing requirements identified. Predicting the tenure of homes required in future on the basis of the mix of tenures currently occupied by each household type would simply carry forward into the future any affordability problems that currently exist. The SHMA therefore applies a series of tests to identify which tenure future households will be able to afford. Taking affordability into account has a substantial impact on the estimated mix of housing required, but does not add to the total estimated requirement. (SHMA, para. 6.17, para. 7.12)
- 3.4 Backlog housing need comprises households who are currently in unsuitable accommodation, and whose needs imply a different mix of provision from that suggested by household growth alone. The requirements of households not currently in self-contained accommodation of their own who will therefore not free up a home for another household when they move add to the total housing requirement as well as changing the tenure and size mix. The requirements of households in other types of backlog need change the final mix of housing requirements but do not add to the total requirement as they free up a home when they move. Therefore incorporating the existing backlog of housing need does add to the total estimated requirement. (SHMA, para. 6.11, para. 7.14)
- 3.5 Estimates of households in backlog need have been compiled from a variety of sources. In all there are around 452,000 households in some form of backlog need, of whom around 209,000 have a requirement for net additional homes. To estimate the total net requirement including backlog need, the SHMA assumes that the backlog is cleared at an annualised rate between 2016 and the end of the London Plan's current planning period in 2041. Annualising requirements over a 25 year period implicitly assumes that the backlog is cleared at an even rate over 25 years. Adding backlog clearance increases the total net annualised requirement by 8,761 to 64,301 a year. (SHMA, para. 7.15, para. 7.18, para. 6.15, para. 7.19)
- 3.6 As a final step, the SHMA increases the annual net requirement in order to account for expected increases in unoccupied (second/vacant) homes. In total these additions constitute an extra 1,577 homes a year, bringing the total annualised requirement to 65,878. (SHMA, para. 6.33, para. 7.20) As Table 6 shows, however, the annual requirement over the 2016 to 2029 period is around 11,000 new homes a year higher than 65,878.

Table 6: Estimated overall total and annualised housing requirement

London's overall housing requirement	Total	Annualised
2016 to 2029	999,064*	76,851
2029 to 2041	647,880	53,990
2016 to 2041	1,646,944	65,878

999,064 = household growth + 13(annual backlog need + unoccupied homes)
= 864,670 + 13*(8,761 + 1,577) = 864,670 + 134,394

- 3.7 The treatment of backlog need in the SHMA is the main departure from both the method set out in Planning Practice Guidance (PPG) and the standard formulaic method proposed by DCLG in its September 2017 consultation paper 'Planning for the right homes in the right places'. Both PPG and the DCLG formula involve making an upwards adjustment to the number of homes required on the basis of 'market signals', which in PPG encompass a range of factors but in the 2017 consultation are reduced to just one, the ratio of median house prices to median earnings. While PPG does not spell out how much of an adjustment should be applied on the basis of market signals, in practice a range of adjustments have been applied by local authorities, up to a maximum of around 25%. By increasing the requirement for new homes to clear the backlog of existing housing need, the SHMA effectively makes a similar upwards adjustment in response to constraints on household formation imposed by the unaffordability of housing. (SHMA, para. 6.35)
- 3.8 In simple terms, the SHMA effectively makes an upwards adjustment of 36.7% to projected household growth of 1.21 million households to identify a net requirement for new homes in London between 2016 and 2041 of 1.65 million homes, an average of around 66,000 homes a year over 25 years. The SHMA makes no further 'economic signals' adjustment, although it observes that: "The GLA's labour market projections estimate that employment in London will grow by an average of 49,000 jobs a year between 2016 and 2041, faster than the projected rate of growth of the working-age population." (SHMA, para. 0.7)

East of England Response to the Draft London Plan

APPENDIX 2

Response to the Draft London Plan From the East of England Waste Technical Advisory Body

19 February 2018

- 1 In general, the waste policies in the Draft Plan are good and address many of the issues that the East of England WTAB has raised in the past. However, there remains a discrepancy between the aspirational tone of the policies and way in which they are implemented. A clear approach to implementation and monitoring is required to ensure that these aspirations are met. The other Mayoral Strategies (eg: the London Environment Strategy which has significant land use implications) should be incorporated into the London Plan so that there is a suite of consistent policies for London.
- 2 The wording used in the Plan is confusing and needs to be more consistent including the definitions of “managing” waste, “net self-sufficiency” and what is meant by the “export” of waste. Clarity is needed as to whether net self-sufficiency includes inert and hazardous wastes. The definition of MSW used is unhelpful since it includes C&I waste.
- 3 Industrial waste is not identified clearly in the policies and the ways in which this is to be managed is therefore not clearly set out. This should be remedied through the use of up to date data and policies.
- 4 The Draft Plan should take account of the updated studies by SLR and not rely on data contained in the older work.
- 5 We are pleased to see that the amount of waste planned to be exported is shown explicitly in the Plan, in Table 9.3. however, this refers to Household and Commercial and Industrial Waste only and CDEW is not explicitly planned for. Whilst the poor data available to understand this waste stream is understandably a key constraint on addressing this waste stream, the large number of construction and infrastructure projects being delivered in London means that this is a major source of waste which is being exported to the East of England.
- 6 Policy S17 A2) States that “Waste reduction increases in material re-use and recycling, and reductions in waste going for disposal will be achieved by... 2) encouraging waste minimisation and waste avoidance through the re-use of materials...” This policy confuses a number of terms each of which should be defined if the policy is to be meaningful. Re-use is not the same as minimisation while the term “Waste prevention” is used in Government policy.
- 7 Policy S17 includes a target for recycling of municipal waste. Municipal waste is not easily measured since it includes all Local Authority Collected Waste plus an element of commercial waste (arguably all of it). It will therefore not be possible to monitor this target. It would be better for the target to be for Local Authority Collected Waste, or Household Waste, both of which are effectively measured.

- 8 Paragraph 9.7.4 states that “Re-use and recycling rates for **construction, demolition and excavation** waste (CD&E) in London is estimated between 50-60% for 2015 with some large construction projects including the Olympic Park achieving 85 – 95% recycling rates. However, the evidence for this assertion is not available. On the contrary, exports of waste from the London Borough of Newham in the years before the 2012 Olympics were abnormally high, implying that significant quantities of waste were removed from the site rather than recycled. A background paper explaining how this figure has been reached should be produced to support the statement.
- 9 The Methley decision means that the 95% recycling figure for CDEW is unlikely to be achieved. It was noted that CDEW should be apportioned. The London Plan should identify strategic sites for the management of CDEW since large sites are needed to achieve this effectively. Encouragement should be given to the maximum level of recycling of CDEW on site wherever possible, in accordance with the “excellent” BREEAM standard.
- 10 The Plan should further acknowledge that London is unlikely to be self-sufficient in the management of excavation waste and that work will need to take place with other WPAs to identify additional sustainable waste management solutions to manage all the arisings from within London.
- 11 The Plan should also state that the Mayor will expect the promoters of major projects to propose solutions to the disposal or recovery of excavation waste generated by their projects.
- 12 The proposed “Circular Economy Statement” would appear to be similar to the Site Waste Management Plans that were introduced nationally in 2008. These will only apply to developments that are above the threshold to be referred to the Mayor and this will exclude a significant proportion of projects in London. A key element of SWMPs was the quantifying of the waste arising from a development and submission of these Plans to the local planning authority and the new CE Statements will need to be agreed by the GLA.
- 13 The aspiration for London to achieve net self-sufficiency in managing its waste arising is welcomed, although the current trend shows slow progress towards this target.
- 14 **Paragraph 9.8.4** The attempt at a definition of what it means for waste to be managed in London is very welcome, since this has been the subject of debate in the past and the provision of transfer stations have been considered to be sufficient to constitute “management” of waste. However, the third bullet referring to sorting and bulking of material is ambiguous and should be re-drafted to clarify that management of waste involves some activity that changes the nature of the material to make it easier to process further or that brings it to end-of-waste status.
- 15 **Paragraph 9.8.5** states that “London facilities should produce high-quality waste feedstock [RDF] with very little recyclable content (i.e. plastics). However, plastic film and composite plastics do tend to form a significant part of the content of SRSF or RDF so this paragraph is contradictory. Analysis of the composition of residual waste arising in London would allow targets for recycling to be set and a realistic approach to the quantity of residual waste treatment facilities required could be implemented.
- 16 Policy S18 A 2) states that existing waste management sites should be safeguarded, which is welcomed. However, it remains the case that waste management sites continue to be redeveloped for higher value uses and monitoring of this policy should be carried out to ensure that the policy is implemented. Strategic industrial locations and locally significant employment sites/land that are considered suitable for waste uses should also be safeguarded in order to ensure that the policy for London to achieve net self-sufficiency in waste management is effective.
- 17 Policy B 2) states that ‘capacity’ should be provided within each borough to manage specific apportionments of household and commercial and industrial waste. The Plan should make it clear that

the activities listed in para 9.8.4 are those which qualify to meeting Borough apportionments. In particular, it must be made clear that facilities which merely bulk waste for onward transport should not be counted as qualifying capacity.

- 18 Table 9.3 states that there will be no exports of household and commercial and industrial waste by 2026 and this is welcomed. However, this is contradictory to Paragraph 9.8.2 which states that zero biodegradable or recyclable waste will be sent to landfill by 2026. This latter paragraph assumes that waste will be exported after 2026 in the form of residual waste requiring final disposal to landfill. The plan should be consistent and these contradictions resolved. If residual waste is to be exported, the quantity involved should be calculated and included in the Plan. This will enable the receiving authorities to plan for the disposal of such material.
- 19 Para 9.8.15 states that London produced 324,000 tonnes of hazardous waste in 2015 and that there is a major risk of shortfall for this type of facility regionally. This waste should therefore be planned for and a policy included accordingly.
- 20 The East of England Waste Technical Advisory Body welcomes the statement in paragraph 9.8.3 that the Mayor will work with neighbouring RTABs to address cross-boundary waste flow issues. We are keen to maintain the constructive working relationship with the GLA and very much appreciate the opportunities to shape the plan.
- 21 Chapter 12 Monitoring includes a number of KPIs to be monitored, but these are rather vague and few in number. In addition to this, there are no indicators for waste, despite there being a number of targets in the Draft Plan. Monitoring has historically been a weakness of the London Plan process and the outcomes with regard to waste have been monitored by the London Waste Planning Forum using work carried out by the Environment Agency in the past few years.
- 22 Past monitoring reports have only looked at management methods of MSW. Given that the relative percentage of C&I waste in London is higher than in other parts of the country, this is particularly weak. In particular, the London Plan has endeavoured to increase self-sufficiency in waste management within the Capital and to at least retain the existing waste management capacity in London. In practice, the loss of waste management sites to other uses appears to continue, although the lack of monitoring data makes this difficult to analyse.
- 23 More useful KPIs would be:
 - Total Office Space (including floorspace gained and lost)
 - Total B1c, B2 and B8 space (including floorspace gained and lost)
 - Total number of jobs (ideally split by sector)
 - Tonnes of waste arising and managed in London (split by transfer, treatment, disposal and type of waste).

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