



**REPORT of
DIRECTOR PLANNING AND REGULATORY SERVICES**

to
**PLANNING AND LICENSING COMMITTEE
1 MARCH 2018**

LONDON PLAN

1. PURPOSE OF THE REPORT

- 1.1 This report sets out a response to the Draft New London Plan, the consultation period for which closes on 2 March 2018. The Draft Comments are set out in the report and replicated in **APPENDIX 1**.
- 1.2 Although some distance from Maldon, policies in the London Plan have wide ranging and wide reaching impacts on development and investment outside of the capital.

2. RECOMMENDATIONS

- (i) That Committee's views are sought on the Draft London Plan; and
- (ii) That the draft response is revised to take into account views of the Committee and approved by Officers in Consultation with the Chairman of the Planning and Licensing Committee and submitted as the Council's formal response to the Consultations.

3. SUMMARY OF KEY ISSUES

Background

- 3.1 Successive London Mayors have produced a new London Plan. This proposed Plan published in December 2017, will run from 2019 to 2041, although allocations for housing are being set for the next 10 years with a review mechanism. The 22 year time period *'has been chosen to provide a long-term view of London's development to inform decision making. However, some of the more detailed elements of the Plan, such as housing targets are set only for the first ten years of the Plan. This reflects the dynamic nature of London's land market and means that there will be a review of the housing targets before 2029.'* (Para 0.0.14)
- 3.2 The Plan provides a policy framework for all of the 32 London Boroughs, the City of London Corporation and the two Mayoral Development Corporations (London Legacy and Old Oak Park Royal) [Hereafter referred to in this Report as "Boroughs"]. The Plan identifies key strategic projects, infrastructure investment, allocations for homes and jobs, together with overarching development management policies.

- 3.3 Upon adoption the Plan will be known as the Replacement London Plan and will replace the previous iterations of the Plan (adopted in 2004 and 2011).
- 3.4 At 529 pages the Plan is lengthy and very comprehensive. The Plan's policies cover:

- Planning London's Future (Good Growth Policies)
- Spatial Development Patterns
- Design
- Housing
- Social Infrastructure
- Economy
- Heritage and Culture
- Green Infrastructure and Natural Environment
- Sustainable Infrastructure
- Transport
- Funding

As with previous London Plans, it also identifies the network of town centres and splits the policy requirements between inner and outer London Boroughs, together with the innermost Central Area Zone.

- 3.5 Most of the policies are specific to London and the officer's comments below do not relate to these matters. The focus of the comments is, therefore, on strategic matters which may affect Maldon.

Key Strategic Matters and Comments (not all Chapters are being commented on)

- 3.6 Chapter 1 - **Planning London's Future (Good Growth Policies)** - These generic policies include:

- 'Making the best use of land' – this includes intensification, use of brownfield land, but protecting open spaces and the Green Belt.
- Delivering the homes Londoners need – including ensuring more homes are delivered and setting a strategic target for affordable housing of 50%. The policy also states that the Plan established '*ambitious and achievable build out rates at the planning stage, incentivising build-out milestones to help ensure that homes are built quickly and to reduce the likelihood of permissions being sought to sell land on at a higher price.*' This is a critical issue, given the housing target that the Plan sets for each Borough against the Objectively Assessed Need (65,000 target v an OAN of 66,000 dwellings per annum). See comments in paragraph 3.13 below.
- Growing a good economy – including a plan for sufficient employment land in the right locations, whilst also '*promoting the strength and potential of the wider city region.*'

- 3.7 Chapter 2 - **Spatial Development Patterns** – a number of strategic Opportunity Areas and growth corridors are identified in the Plan at which the 'most significant change' will be promoted. Two growth Corridors affect Essex: Lee Valley and the

Thames Estuary. This area will continue to be promoted as a strategic industrial location with recognition of the importance of the area close to the M25 as a logistical hub.

- 3.8 The Thames Estuary ‘continues to be a priority for regeneration and economic development, with potential for over 250,000 new homes and 200,000 new jobs.’ Reference is made in the plan to the Mayor working with partners to ‘promote investment in the [Thames] Gateway, both within and outside London.’
- 3.9 In both instances the Plan is silent on the specific impacts on parts of Essex adjacent and within the wider strategic growth corridors. It is not clear therefore, what impact these will have on West Essex and South Essex respectively, and the indirect impact on the rest of Essex.
- 3.10 The Plan does however promote Growth Locations in the Wider South East and Beyond (Policy SD3). This states that the ‘*Mayor will work with relevant WSE partners, Government and other agencies to realise the potential of the wider city region and beyond 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.*’ In doing so the Mayor will support Local Plans that recognise these growth locations.
- 3.11 As far as Essex is concerned the Thames Gateway (including ports), the Lower Thames Crossing, A12 and M11 corridors are in the list of 13 Initial Strategic Infrastructure Priorities. The A14 from Felixstowe to the Midlands is included, but there is no inclusion of east to west links across Essex. Improvements in east west links across Essex, as promoted through the upgrade of the A120, for instance, will help relieve pressure on the M25 and provide better access to other parts of the wider London economic region.
- 3.12 Chapter 4 – **Housing** - As with previous London Plans, the new Plan will contain minimum space standards for new dwellings.
- 3.13 The new Plan proposes a 10-year housing supply target. The basis of this is the Objectively Assessed Need (OAN) as set out in the London Strategic housing Market Assessment (2017). The SHMA has identified the need for 66,000 additional homes per year. This is informed net housing targets of each of the Boroughs, of just under 65,000. Therefore, the Plan acknowledges that at least 1,000 dwellings per annum (dpa) will need to be built outside of London to meet London’s needs. There is no indication where these additional 1,000 should be located.

Comments:

- 3.14 The annual housing target being set in the London Plan is a significant increase in the need identified in the previous SHMA in 2013 of just under 49,000 dpa, and as the targets run from 2019, the acceleration in growth needs to be immediate. Furthermore, as the table below explains, the annualised net housing completions for the preceding five years was just over 25,000: approximately half the previous London Plan target. The jump to 65,000 represents a 160% increase in the number of dwellings to be completed annually against that achieved in the previous 5 years. This represents a

level of housebuilding not seen in London since the 1930s (as set out in *Fig 3: Gross new housebuilding in Greater London, 1871 to 2016* of the 2017 SHMA).

- 3.15 This creates two major risks: firstly, in the time of the previous London Plan the housing target was not achieved, and without interventions outlined in the Infrastructure section of the Plan, the Mayor recognises the risk, stating in paragraph 4.1.3 that:

‘To achieve these housing targets the overall average rate of housing delivery on both large and small sites will need to approximately double compared to current average completion rates. The Mayor recognises that development of this scale will require not just an increase in the number of homes approved but also a fundamental transformation in how new homes are delivered. The London Plan, London Housing Strategy and Mayor’s Transport Strategy together provide a framework to help achieve this ambition but achieving this step change in delivery will require increased levels of funding to support the delivery of housing and infrastructure, which is discussed in more detail in Chapter 11.’

- 3.16 The second risk is that if London does not achieve this quantum leap in meeting its need, pressure will mount on the wider region to take additional growth and the influence and impact of meeting London’s need in future local plans will continue at the same of greater levels that at present. This will push up the need for additional housing in the wider region, and the figure of 1,000 dpa in the wider region would be unrealistic.
- 3.17 On this issue the London Plan must be robust and sound in what it can achieve. Unrealistic ambition will create uncertainty for the wider region and its relationship to London.
- 3.18 The new London Plan sets an overall target for 43,000 **affordable homes** per year, as established in the SHMA. This results in a strategic target (in Policy H5) of ‘50% of all new homes delivered across London to be affordable.’ This includes targets at 50% and 60% respectively for development on public land or development by the Mayors strategic partners. To facilitate this and to speed up the planning process, a ‘Thresholds approach to applications’ is promoted which clarifies at what level of affordable housing a viability assessment is required. The threshold for development on non-public land is 35%.
- 3.19 The strategic policy for affordable housing is supported by a wide range of policies on specialist housing, homes for older persons, build to rent and housing / tenure mix.

Comments:

- 3.20 Officers have no comments on the specifics of the affordable housing policies.
- 3.21 With regards to **Gypsy and Traveller Accommodation**, policy H16 includes a definition of Gypsies and Travellers which differs from the definition in the Government’s Planning Policy for Traveller Sites (2015). The Plan states in paragraph 4.16.2 that the ‘Mayor has adopted a new definition...due to concerns that the existing Government planning policy definition does not recognise many Gypsies and Travellers’ for example those who have ceased to traveller permanently due to lack of

pitches; or those living in bricks and mortar which does not meet their need; or people with other needs.

- 3.22 The Mayor is requiring that every Borough cater for its own needs – there are an estimated 30,000 Gypsies and Travellers in London – and they are required to undertake a needs assessment.

Comments:

- 3.23 Officers have no comments on the specifics of the Gypsy and Traveller policy.

- 3.24 Chapter 6 – **Economy** - Whilst the Plan seeks to plan sufficient employment land to meet economic growth, it does not set strategic targets. Instead it identifies strategic industrial land and growth corridors.

Comments:

- 3.25 It is not possible to make an assessment of the Plan to understand what the economic growth aspirations mean in terms of floor space or land requirements. Accordingly it is not possible to assess whether London has the capacity to achieve its aspirations and whether there would be economic spill into the wider region.

- 3.26 Chapter 8 – **Green Infrastructure and Natural Environment** - The London Plan seeks to protect the Green Belt and Metropolitan Open Space (policies G2 and G3). There are no comments to make. The Green Belt outer boundaries are decisions for the Essex authorities within their Local Plans and there is no suggestion in the London Plan that any changes to the green belt are proposed.

- 3.27 Chapter 9 – **Sustainable Infrastructure** - London has previously exported waste to Essex and the wider region, mainly to landfill. The Plan sets waste recycling targets of 65% for municipal waste by 2030 and 95% of construction, demolition and excavation waste by 2020. It also proposes that there should be zero biodegradable and recyclable waste to landfill by 2026.

- 3.28 In 2015 London managed 7.5 mt of its own waste, but exported 11.4 mt approximately half of which was exported to the East of England. The Essex and Southend-on-Sea Waste Plan 2017, recognises the need for Essex to cater for imported waste from London albeit at a lower level (150,000 tpa by 2032 as opposed to 375,000 tpa now).

- 3.29 Policy S18 proposes that ‘*in order to manage London’s waste sustainably...the equivalent of 100 per cent of London’s waste should be managed within London by 2026.*’ To do this, existing waste management sites should be safeguarded and optimised and new sites identified where required.

Comments:

- 3.30 Whilst the target of London managing its own waste within London is welcomed, the targets being set are ahead of the targets within the Essex and Southend on Sea Waste Plan. The Mayor does acknowledge this ambition and that they will continue to work with adjoining waste authorities to address cross-boundary waste flow issues.

- 3.31 London is suffering from a significant increase in the number of boats on London's waterways, having risen from 2,000 in 2010 to 5,000 in 2016. The plan acknowledges that there is a deficit in residential, leisure, visitor and commercial moorings to meet this increase in demand. The Canal and River Trust is producing a London Mooring Strategy that will identify areas for potential new moorings.
- 3.32 The impact of this on Essex and potentially Maldon is that if London does not cater for its own demand, houseboat owners could be forced out to the tidal areas of the Thames or other waterway networks for people seeking proximity to London.
- 3.33 Chapter 10 – **Transport** - the Plan includes an indicative list of key strategic transport improvements. None of these explicitly affect Essex or Maldon, although there is reference to increase capacity of Network Rail lines, albeit with no details.
- 3.34 Chapter 11 – **Funding** - The final section of the Plan relates to Funding the London Plan. The requirements are based on the London Infrastructure Plan 2050 (published in 2015) which identified infrastructure requirements worth £1.5 trillion to meet the demands generate by what would be an additional 1.6 million homes and jobs growth by 2041. This is set out in paragraphs 11.1.8 to 11.1.57 and includes at least £2.7 billion a year for affordable housing; £3.3 billion a year for transport; a total of £11 billion for new schools, and £12 billion to renew existing schools); a further £2.1 billion a year into health care; £148 billion into energy infrastructure and £46 billion into water infrastructure; £8 billion for digital infrastructure; and £7 billion for waste.
- 3.35 The accompanying policy in the Funding the London Plan section (Policy DF1) does propose that this funding is delivered from development. There is a strong expectation that the public sector will be expected to contribute a very significant proportion of the funding. The policy therefore, focuses on the circumstances where viability may be an issue and how these should be addressed and the requirement of Boroughs in producing planning obligation polices.
- 3.36 However, the Mayor has outlined two potential funding options: fiscal devolution recognising that London generates £26.7 billion in tax revenue per annum that is spent on it; and the consideration of 'sharing in land value uplift,' details of which are not given, although the Mayor has set up a task force to consider how this would work.

Comments:

- 3.37 These funding figures are huge and if supported by central Government will put a considerable strain on the availability of resources elsewhere. There does not appear to be a clearly defined link between development and the infrastructure requirements. These raises doubts on the deliverability of the growth in the Plan. Given that London has failed in the recent past deliver its annual housing targets, without a clear relationship between infrastructure and growth, there is a risk that London will continue to fail to meet targets.
- 3.38 Therefore, the risk remains that pressure will heighten on the wider region, including Maldon, to accommodate demand for housing, in particular, generated by London. Compared with London, districts like Maldon offer improved affordability and an attractive environment. The implication being that as and when Local Plans are

reviewed, rather than being satisfied that London is substantially catering for and can deliver to meet its own demands, we will be required to factor London into future Strategic Housing Market Assessments.

- 3.39 **Next steps in the Plan process** - The Consultation on the London Plan closes at 5.00 pm on Friday 2nd March 2018. A copy of this report was submitted to the Mayor's office on publication, with the proviso that further comments may follow after the Committee. This secures our representation.
- 3.40 The next step will be the holding of an Examination in Public led by an independent panel. The EIP is likely to be held in the Autumn 2018. After the Panel has reported the Mayor will decide on what changes he wishes to make before submission to the Secretary of State. No target date is given for the Plan's adoption.
- 3.41 Once adopted the London Boroughs will be required to deliver the Plan and incorporate its allocations and policies into reviews of their own local plans. This will need to show how they will achieve the proposed targets.

4. CONCLUSION

- 4.1 This report provides an overview of the key issues and implications of the draft New London Plan. Whilst the direct impact on Maldon will be minimal due to the distance to London, the ambition of the plan together with the lack of certainty in its deliverability, as set out in the Report, there is a strong likelihood that there will remain significant pressures on Essex and Maldon. The only option would be for the use of public sector investment and resources to deliver the Plan which would significantly dilute resources available elsewhere.

5. IMPACT ON CORPORATE GOALS

- 5.1 Planning policy supports corporate goals which underpin the Council's vision for the District and in particular protecting and shaping the District and balancing the future needs of the community and meeting the housing needs of the District.

6. IMPLICATIONS

- (i) **Impact on Customers** – Clear policy and strategy working with other authorities in Essex provides certainty to residents and businesses in the District.
- (ii) **Impact on Equalities** – Planning policy documents, including new regulations and policy documents prepared by the government, are subject to equality analysis.
- (iii) **Impact on Risk** – The Council will need to monitor the delivery of the London Plan and the implications of delay or non-delivery in its evidence base for future reviews of the LDP. As outlined in the Report, there is a risk that the

Plan may not be deliverable and this carries a risk to Maldon and the rest of Essex.

- (iv) **Impact on Resources (financial and human)** –Any significant change in policy direction would be likely to require additional work or alterations to the evidence base which may have significant financial and human resource implications for the Council.
- (v) **Impact on the Environment** – The London Plan covers the London area, but the influence of planning policy extends into the wider region. The Plan seeks to reduce the impact on the wider region, but this assumes that its policies can be delivered.

Background Papers:

London Plan – <https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan>

2017 London Strategic Housing Market Assessment -

https://www.london.gov.uk/sites/default/files/london_shma_2017.pdf

Essex and Southend on Sea Waste Local Plan (July 2017)

<http://www.southend.gov.uk/wastelocalplan>

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Appendix 1

Comments from Maldon District Council

Chapter 2 Spatial Development Patterns

The Plan is silent on the specific impacts on parts of Essex adjacent and within the wider strategic growth corridors. It is not clear therefore, what impact these will have on West Essex and South Essex respectively, and the indirect impact on the rest of Essex. This is particularly important given the risks to achieving London's housing targets – see below.

As far as Essex is concerned the Thames Gateway (including ports), the Lower Thames Crossing, A12 and M11 corridors are in the list of 13 Initial Strategic Infrastructure Priorities. The A14 from Felixstowe to the Midlands is included, but there is no inclusion of east to west links across Essex. Improvements in east west links across Essex, as promoted through the upgrade of the A120, for instance, will help relieve pressure on the M25 and provide better access to other parts of the wider London economic region and London infrastructure such as the M11 and Stansted Airport.

Chapter 3 – Housing

The annual housing target being set in the London Plan is a significant increase in the need identified in the previous SHMA in 2013 of just under 49,000 dpa, and as the targets run from 2019, the acceleration in growth needs to be immediate. Furthermore, as the table below explains, the annualised net housing completions for the preceding five years was just over 25,000: approximately half the previous London Plan target. The jump to 65,000 represents a 160% increase in the number of dwellings to be completed annually against that achieved in the previous 5 years. This represents a level of housebuilding not seen in London since the 1930s (as set out in Fig 3: Gross new housebuilding in Greater London, 1871 to 2016 of the 2017 SHMA).

This creates two major risks: firstly, in the time of the previous London Plan the housing target was not achieved, and without interventions outlined in the Infrastructure section of the Plan, the Mayor recognises the risk, stating in paragraph 4.1.3 that:

'To achieve these housing targets the overall average rate of housing delivery on both large and small sites will need to approximately double compared to current average completion rates. The Mayor recognises that development of this scale will require not just an increase in the number of homes approved but also a fundamental transformation in how new homes are delivered. The London Plan, London Housing Strategy and Mayor's Transport Strategy together provide a framework to help achieve this ambition but achieving this step change in delivery will require increased levels of funding to support the delivery of housing and infrastructure, which is discussed in more detail in Chapter 11.'

It is questionable whether this level of investment is viable or deliverable and without it the housing targets are no achievable. This will leave pressure on districts throughout the wider region to meet London's need and the Plan's implementation cannot

The second risk is that if London does not achieve this quantum leap in meeting its need, pressure will mount on the wider region to take additional growth and the influence and impact of meeting London's need in future local plans will continue at the same of greater levels that at present. This will push up the need for additional housing in the wider region, and the figure of 1,000 dpa in the wider region would be unrealistic.

On this issue the London Plan must be robust and sound in what it can achieve. Unrealistic ambition will create uncertainty for the wider region and its relationship to London.

Chapter 9 - Sustainable Infrastructure

Whilst the target of London managing its own waste within London is welcomed, the targets being set are ahead of the targets within the Essex and Southend on Sea Waste Plan. The Mayoral does acknowledge this ambition and that they will continue to work with adjoint waste authorities to address cross-boundary waste flow issues.

London is suffering from a significant increase in the number of boats on London's waterways, having risen from 2,000 in 2010 to 5,000 in 2016. The plan acknowledges that there is a deficit in residential, leisure, visitor and commercial moorings to meet this increase in demand. The Canal and River Trust is producing a London Mooring Strategy that will identify areas for potential new moorings.

The impact of this on Essex and potentially Maldon is that if London does not cater for its own demand, houseboat owners could be forced out to the tidal areas of the Thames or other waterway networks for people seeking proximity to London.

Chapter 11- Funding

The funding figures in the Plan and required to deliver the Plan are huge and if supported by central Government will put a considerable strain on the availability of resources elsewhere. There does not appear to be a clearly defined link between development and the infrastructure requirements. This raises doubts on the deliverability of the growth in the Plan. Given that London has failed in the recent past deliver its annual housing targets, without a clear relationship between infrastructure and growth, there is a risk that London will continue to fail to meet targets.

Therefore, the risk remains that pressure will heighten on the wider region, including Maldon, to accommodate demand for housing, in particular, generated by London. Compared with London, districts like Maldon offer improved affordability and an attractive environment. The implication being that as and when Local Plans are reviewed, rather than being satisfied that London is substantially catering for and can deliver to meets its own demands, we will be required to factor London into future Strategic Housing Market Assessments.