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New London Plan
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Dear Mayor,

DRAFT LONDON PLAN

Thank you for allowing Persimmon Homes the opportunity to comment on the Draft London Plan.

Persimmon Homes are one of the UK's leading builders of new homes with a track record of delivery in the London and wider South Eastern region. Persimmon Homes are a developer with significant experience of both market and planning issues in the area, as well as being a 'user' of the London Plan.

Persimmon Homes are a Member of the House Builders Federation (HBF), the principal representative body of the house building industry in England and Wales. Persimmon Homes, together with other Members, have inputted into the HBF's representations. The below comprises Persimmon Homes representation to the draft London Plan.

Overview

The draft London Plan is a critical component to achieve the national imperative of boost housing supply to address the housing crisis. In this regard it is considered essential to have a long-term plan that meets the projected growth in London and sets out how it will address infrastructure and other strategic issues.

Persimmon Homes supports the draft London Plan's focus upon development of Opportunity Areas and brownfield land and maximising their contribution to addressing the significant housing need within London. However, we share the HBF's central concern as to whether the draft London Plan will be able to deliver the proposed 53% increase in its housing target (65,000 dpa) within London over the 10 year period (2019-2029).

Whilst the draft London Plan expects London Local Authorities to meet their housing needs, it is unclear that they will be capable. The SHLAA (2017) lacks sufficient robust interrogation of sites, is over reliant upon theoretical assumptions and the largely unproved contribution that small and windfall sites may make to meeting the overall plan target. The Plan does not robustly test the ability of the London Local Authorities to meet the housing targets.

It appears to be the Mayor's intention that the London Plan housing targets will update housing targets for the London Local Planning Authorities who, as a result, will not therefore need to produce a Part 1 Local Plan. It is not evident how the legal requirement to undertake the Duty to Co-operate will be discharged, given that the London Plan has not done so and there is a shortfall against OAHN. Furthermore, it is not evident how the Duty to Co-operate will function if London Local Planning Authorities consider that they cannot achieve the housing targets. There is a lack of a robust mechanism to ensure that any LPA's shortfall against London Plan housing targets will be addressed.

There will be a significant time lag between the draft London Plan and many London Local Authorities amending their emerging and adopted Local Plans to address how this will be achieved. This lag will adversely affect identified land supply the ability of developers to uplift delivery rates to meet the London Plan 65,000 dpa target (2019-2029).

Given that the draft London Plan seeks to preclude release or the review of Green Belt boundaries, in addition to finding additional site, London Boroughs are likely to need to increase housing densities. Our experience is that increasing housing densities to make more efficient use of land too often faces resistance by some outer London Authorities. There is reluctance by some London Authorities to accept that the design led optimisation of sites will lead to higher densities and character that may be distinct from often suburban character. Subjecting a greater proportion of schemes to Design Reviews will not resolve this tension. The Mayor in reviewing the draft plan should acknowledge that to meet the objectives of the plan and meet housing need, it will necessitate development of a scale, height and character that is likely to be distinct from that of the established area.

Given the draft London Plan should principally be a strategic document, we are concerned that it does not seek to address how housing needs post 2029 will be met and co-ordinate strategic infrastructure / investments to facilitate this.

Given London's relationship with the wider South East and East of England, the London Plan should look beyond the next 10 year period and provide an assessment of the extent to which London's housing needs can be met within London and identify any shortfall need to be met by authorities outside of London.

The London Plan fails to address London's strategic relationship with the South East and East of England and in doing so, risks that London's Housing needs will not be met with the corresponding negative social and economic consequences for the country.

Those authorities immediately outside of London have generally been reluctant to address their own full OAN together with London's housing shortfall when measured

against full OAHN, often citing conflict with established Metropolitan Green Belt boundaries. This has meant that at a time where there is a housing crisis and a need to boost housing supply, London has not met its full OAHN and the authorities in the East and South East of England have been reluctant to address this shortfall. The draft London Plan is likely to perpetuate this.

It is not clear when London Boroughs make or revise their plans to have regard to the new London Plan what housing target is to be adopted for the period post 2029 and the extent to which they will / can rely upon authorities within the wider South East and East of England and discharge their Duty to Co-operate. Furthermore, those authorities outside of London will be adopting plans that do not have a clear indication from the London Plan as to how they can contribute to meeting London's housing needs post 2029 and how this will be supported. The strategic issues London faces during the plan period requires a joined up and collaborative approach with both London Boroughs and the authorities in the East and South East of England which does not appear to be in place.

As detailed above, we consider it unlikely that the Plan will meet its housing delivery targets overall and that there will be an acute shortfall against targets in the early part of the plan period. Whilst it is important to understand what will trigger an immediate review of the plan, this does not negate the need to produce a sound plan, particularly given the national importance of the London Plan. It would be prudent to look at how best London's Housing need's can be addressed and sustained over a longer period which would result in more certainty and options for delivery should the current 'self-sufficient' approach falter.

Whilst we welcome the production of a new London Plan, successive plans have become less spatially focused, more prescriptive and have sought to move away from National Policy in key areas. It is considered that the policies in the draft London Plan would add considerable additional regulatory and procedural complexities and burdens that will ultimately slow and hamper housing deliver. In addition, it is considered that the cumulative effect will negatively impact development viability and the objective of delivering affordable housing. In additional, such measures will add to the cost of development and ultimately housing at a time when housing affordability is a significant socio-economic issue. This is at odds with the national imperative to boost housing supply and tackle the housing crisis.

Paragraph 0.0.2

The draft London Plan is proposed to provide the development framework for London for the next 20-25 years (i.e. 2038-43). As a strategic plan for a major global city it is appropriate to look at how the city will evolve and manage growth over this period. Clearly accommodating growth will require long term investment decisions. Despite this, housing targets in Policy H1 operate solely for the period 2019-29. Furthermore, the assessment of housing capacity only assesses the ten year period up to 2029. It has not been demonstrated that London can sustain growth of 65,000 dpa within London's footprint post 2029.

It is considered right that the London Plan should provide a spatial plan to accommodate growth over the next 20-25 years. However, it fails to adequately detail and evidence how it will achieve this and the extent to which London will rely upon

the wider South East and Eastern Region post 2029 to accommodate housing and employment growth.

For those authorities outside of London, the plan brings significant uncertainty as to how the Capital's growth will be accommodated post 2029 and the extent to which their own development plans should seek to meet an element of London's Housing needs post 2029.

Paragraph 0.0.20

The statement in paragraph 0.0.20 is unsound because it conflicts with national policy and established practice.

There are instances in the draft London Plan where deviation from national policy is not adequately justified or supported by evidence and would have implications for other areas of the country. Of note;

- the objective assessment of housing need;
- the assessment of the housing land supply;
- the Mayor's direction that the London LPAs need not prepare "part one" (or core strategy) local plans;
- the London Plan's approach to the Green Belt; and
- A recasting of the use classes order.

Paragraphs 0.0.21 and 0.0.22 & Implementation and the delivery of the housing targets

The paragraph is unsound because it has implications for local plan preparation that are unjustified and ineffective.

The London Plan is seeking to negate the need for certain local development plan documents.

It is not sufficiently clear as to how the new housing targets in the London Plan will be treated upon adoption. It appears to be the intention that the London Plan housing targets will supersede the existing housing targets of the London LPAs, irrespective of the age or status of the LPA's development plan. The draft London Plan needs to be amended to make clear the implications of the London Plan's housing targets for London LPA's taking forward or updating their development plans.

Clearly time taken by the LPA's in updating adopted or emerging local plans and in the creation of action plans, SPD's, Site Allocation Documents etc to support the London Plan's significant increase in housing number will create a time lag. This time lag as local plans catch up and translate the London Plan into a document to deliver this growth, is likely to impact upon the ability to significantly boost housing supply needed to meet London Plan target from 2019.

Given the short time span of the London Plan housing targets, it is unclear what measures could be employed to address a potentially significant shortfall against the target of 65,000dpa which could arise at the start of the plan period due to the policy lag.

While the housing targets for each London LPA might be set by the London Plan, there appears to be a disconnect with what the individual Borough's assess as being deliverable. Without 'buy-in' from the London Borough's, there is a significant risk that London will fail to address its housing needs with the associated negative socio-economic impacts.

London Plan seeks to establish housing targets for the period 2019/20 to 2028/29, however, it is not clear what housing targets will be beyond that period and what London LPA's Development Plans should be planning for post that period.

Delivering the homes Londoners need

Paragraph 1.4.3

We concur with the HBF that '*The objectively assessed housing need for London (OAN) is unsound because it is not positively prepared. This is because the derivation of the OAN is:*

- a) contrary to established practice for assessing the OAN;*
- b) inconsistent with the Government's proposed standardised approach to assessing housing need; and*
- c) unjustified in terms of the demographic and backlog assumptions underpinning the assessment'.*

We note the HBF's view that the OAN for London should be the uncapped requirement of 95,267dpa based on the Government's proposed standard method.

Accommodating housing need

The London Plan is unsound with regard to its assessment of London's housing capacity. It is unsound because its assessment is unjustified when the evidence is considered and ineffective because the London Plan is undeliverable.

We have concerns regarding the evidence that London will be able to provide 65,000 dpa. The SHLAA (2017) supporting the London Plan is principally a theoretical assessment of notional capacity and as such does not provide sufficient evidence based on the identification land and its assessment as to whether it is deliverable or developable in line with para 47 of the NPPF.

A very large element of growth identified in the SHLAA (2017) relies on notional assessments of capacity and the contribution of unidentified sites. It fails to satisfactorily demonstrate that the London Plan's housing targets can be met. We consider this to be unsound and gives rise to a significant risk that plan targets will not be met.

28.7% of London's housing land supply is proposed to be derived from unidentified small sites. This is a notional figure not based on identified sites and as such comprises a 'windfall' allowance. However, the SHLAA (2017) makes an allowance

for 'small sites' plus a further allowance for 'windfall', which in essence is double counting. The double counting of 'windfall sites' is not sound.

Managing the five year land supply and possibly the Housing Delivery Test

It is unclear how the London Plan and the adoption of new housing targets from 2019 will translate into a five year housing land supply.

LPA's in London are at various stages of plan preparation. It remains unclear whether the mayor expects LPA's to immediately revisit their adopted or emerging Local Plans. Clearly, there will be a significant time lag as development plans are prepared, consulted upon and adopted.

There is not sufficient allocated site's in order to deliver a five year housing land supply against the new London Plan targets. This will be compounded by the time lag as local development plans are updated.

If delivery rates are not achieved from 2019, it is unclear how this will be remedied in sufficient time to ensure that the shortfall could be made-good so that London's overall housing will be provided for by 2029.

If a London Borough cannot identify sufficient land in their development plans to meet the London Plan targets, as has been the case in the past, it is also unclear how this shortfall in housing provision would be addressed.

We share the HBF's concerns that at present there is no effective mechanism in place to monitor housing delivery and address what are evident shortfalls in delivery against London Plan targets. If under delivery persists, albeit against higher housing targets, without effective measures to address under delivery London will fall short of meeting its housing needs. Given that London is the driver for growth within the wider south east and is planning to deliver around 25% of the Country's housing, it should not be allowed to fail. Therefore, it is imperative that measures are in place to address undersupply against plan targets.

We share HBF's concerns regarding para 4.3.3. The Mayor should not seek to preclude London Local Authorities from applying the Housing Delivery Test if this is introduced by central government. The Housing Delivery Test will assist in maintaining housing delivery and as such the objectives of meeting London's Housing needs. The Delivery Test cannot be circumvented by the London Plan. This statement should be removed as it is unsound because it is inconsistent with current national policy in terms of the five year housing land supply, and emerging national policy in the form of the Housing Delivery Test.

The unmet need

The London Plan is unsound because it is not positively prepared as it does not provide a plan that will address the unmet housing need.

The unmet housing need of 10,000 dwellings over the period 2019-2029 should not be ignored as proposed. The Mayor needs to go beyond his responsibilities of merely

consulting authorities outside London and come to an agreement as to how any unmet housing need is to be met.

Policy SD1: Opportunity Areas

Whilst we support the regeneration aspirations and the need to maximise the opportunities these sites present, we share the HBF's concerns that the anticipated housing contribution from the Opportunity Areas (OAs) requires more detailed evidence than that presented in the SHLAA (2017). We concur that land assembly, alternative use values and sites with industrial legacies often make OA site challenging to assemble and develop, very sensitive to increased costs and with a greater risk profile.

We have found from experience that outer London Local Authorities have been reluctant to the design led optimisation of such sites. Members are frequently citing concerns regarding London Plan compliant parking levels and density giving rise to a change from the established prevailing character.

In order to meet the London Plan's housing targets, it will be important that London Local Authorities develop a clear local strategy for accommodating growth and whilst this is being developed, take a more positive approach to development that is in line with the London Plan.

The adopted London Plan gave a commitment to develop Housing Zones (HZs) to deliver the full housing potential of Opportunity Areas (Policy 8.1). The Mayor sought to promote and incentivise development in Housing Zones. It is considered that there is an opportunity to further optimise development in these localities and the London Plan should give a commitment that existing frameworks within these areas should be reviewed with the objective of optimising their growth and potential.

Policy SD2: Collaboration in the Wider South East

The policy is unsound because it is ineffective as a consequence of being unclear about who has responsibility for the duty to cooperate and addressing unmet need for 10,000 homes

Duty to co-operate and working with the Wider South East

Notwithstanding the Mayors statutory responsibilities, London is the engine for regional and national growth and collaboration with the wider south-east is vital.

As the HBF highlight, the London Plan does not address the issue of the unmet need for 10,000 homes over the 10 year plan period. The decision on this matter should not be delegated to the individual London Local Authorities. We have seen from the existing London Plan that unmet housing need in London has not been adequately addressed via the Duty to Co-operate.

The London Plan should make clear which public body or bodies are responsible for addressing the unmet housing need and how this will be undertaken having regard to the Duty to Co-Operate.

Planning for a potentially bigger shortfall if delivery falters

Whilst the new London Plan seeks to address the issue of the housing shortfall, it is questionable whether it can and will be delivered. The London Plan will require a set change in delivery from 2019 onwards. As highlighted above, this gives London Local Authorities little time to update their development plans to identify how and where the housing number are to be accommodated.

In addition, it remains to be seen if the London Local Authorities will adopt development plans in a timely manner and which accommodate the levels of growth envisaged in the London Plan. We endorse the HBF's view that the Mayor needs to explore contingency options to accommodate housing growth within the wider SE should plan monitoring show that London is not delivering 65,000 dpa in the first two years of the plan. In addition, we considered that the Mayor needs to consider how housing growth will be accommodated over a minimum 20 year period.

Policy SD3: Growth locations in the Wider South East and beyond

The draft London Plan is proposed to provide the development framework for London for the next 20-25 years (i.e. 2038-43). As a strategic plan for a major global city it is appropriate to look at how the city will evolve and manage growth over this period. Clearly accommodating growth will require long term investment decisions. Despite this, housing targets in Policy H1 operate solely for the period 2019-29. Furthermore, the assessment of housing capacity only assesses the period up to 2029. It has not been demonstrated that London can sustain growth of 65,000 dpa within London's footprint post 2029.

The London Plan should provide a spatial plan to accommodate growth over the next 20-25 years. However, it fails to adequately detail and evidence how it will achieve this and the extent to which London will rely upon the wider South East and Eastern Region post 2029 to accommodate housing and employment growth.

For those authorities outside of London, the plan brings significant uncertainty as to how the Capital's growth will be accommodated post 2029 and the extent to which their own development plans should seek to meet London's Housing needs post 2029.

Policy GG2: Making the best use of land

Persimmon supports the objective of making best use of land.

Whilst we recognise the purposes and importance of the Green Belt around London, it should be for the individual London Local Authorities to undertake a Green Belt review and ascertain whether there are exceptional circumstances to warrant altering the boundaries. The London Plan should not direct local authorities not to review designations when they are preparing Local Plans and wish to make decisions about how they can best accommodate development. The approach in the London Plan goes beyond the test set out in the NPPF (para 83) and is not compliant.

Policy GG4: Delivering the homes Londoners need

Policy is unsound because it is not clear

We support the intention of Part E to incentivise build out; however, the policy is not clear and therefore is unsound. We are concerned that this will not be achieved through positive incentives, but through the threat of penalties or more onerous obligations. It is considered that this could have the opposite effect to that desired, discouraging investment and leading to a more cautious and risk adverse approach. To be effective, incentives should be considered for early delivery, such as reducing the ceiling for affordable housing in the final stage development review.

Policy GG6: Increasing efficiency and resilience

Part A is unsound because it is ineffective.

Part A states the objective of London being a zero carbon city by 2050. We have strong concerns that there is insufficient evidence to demonstrate how this will be achieved. This overarching ambition has manifested itself with Policy *SL2: Minimising greenhouse gas emissions* and the requirement to meet net zero-carbon for new homes in all major developments. As detailed in these representations, this deviates from the decision by Government to set standards for energy efficiency through the national Building Regulations, gives rise to practical issues given the lack of clear definition and economic issues in terms of the additional cost and regulatory burden this will impose.

Chapter 3: Design

We share the HBF's concerns that based on experience, the substantial increase in use of Design Panels will increase the time taken during the pre and planning application process. Furthermore, this will add to the regulatory and cost burden for developers. We consider it should be for the individual London Local Authorities to set out their approach to the use of external design panels having regard to their circumstances, including their internal design resource.

Policy D1: London's Form and characteristics

Part B 1) is unsound because it requires design to correspond to the "scale" the "form" and "proportions" of the locality. This is at odds with recognition that to deliver the anticipated housing growth their will need to be optimised density that exceeds existing that prevailing within an area.

Part B 1) should be re-drafted to read:

"B Development design should:

- 1) Respond to local context by delivering buildings and spaces that are positioned and of the appearance that is respectful of the identity and*

character of the locality. The local planning authorities in determining applications should not refuse applications on the grounds that the density and height of the buildings proposed is out of with that of the local area unless there is identifiable harm arising which outweighs the positive benefits of the scheme, including the aim of optimising density.”

Part B 3) is unsound and should be deleted because it is unclear what is being sought and how assessment against this policy would be made.

Policy D2: Delivering good design

The policy is unsound in places because it is unjustified and because it sometimes because it conflicts with national policy.

Persimmon are concerned that Policies D2 and D3 will give rise to delays in the determination of applications and slow rates of delivery. Furthermore, it adds additional levels of complexity and costs to the process.

In general, this draft Policy is too prescriptive. It is not clear why many of these elements are in a spatial planning document let alone embodied in policy.

In terms of part D, Masterplans and Design Codes are useful tools where necessary. This policy implies that they should be use, irrespective as to whether they are necessary. A full application with a single phase of development would not require a Design Code for instance.

Part F - In view of the need to boost delivery, we consider that the blanket requirement for a Design Review is not necessary. This should be assessed by individual boroughs as part of the pre-application process based on the circumstances of the case and their published guidance.

Part H 4) - We agree with the HBF that the Mayor cannot insist that local planning authorities use architect retention clauses in legal agreements as this is anti-competitive and impinges on the ability of developers to appoint alternative parties should they choose or need to.

Policy D3: Inclusive design

Object as these measures, together with others, threaten the deliverability of the plan

As highlighted within the HBF representations, there will be a significant additional cost to undertaking these measures. We are not convinced that this objective can be achieved at the same time as all the other draft London Plan policy objectives, including 50% affordable homes and zero-carbon.

Policy D4: Housing quality and standards

Part of the policy is unsound because it is ineffective.

The Policy is unduly prescriptive. We agree with the HBF that to assist delivery, flexibility should be introduced into the policy to allow the LPA discretion having regard to site specific circumstances. To this end we endorse the HBF's recommendation that that Part D is amended to read:

“D Housing developments are required to meet the minimum standards below unless other material circumstances justify a departure. These standards apply to all tenures...”

Part E - We considered that the presumption against single aspect dwellings is unnecessarily prescriptive, particularly if it is demonstrate that the development has adequate passive ventilation, meets daylight and privacy standards are avoids overheating.

Policy D6: Optimising housing density

The policy is unsound in places because it is unjustified.

We share the HBF concerns that the more involved Design Review Process will slow delivery and is not compatible with achieving the London Plan's Housing Targets.

To deliver 65,000 dpa will require increased density of development, particularly on sites in outer London Boroughs. There needs to be recognition that whilst a design-led approach is to be taken to optimisation, densities will increase and as a result there will be a discernible change in character to that existing.

Chapter 4: Housing

Policy H1: Increasing Housing Supply

Part B of the policy is unsound because it is ineffective

As detailed above, it is considered that there is insufficient management of land supply and measures are in place to address undersupply against London Plan targets.

In terms of Part D, publishing a housing a housing trajectory is useful. The policy to 'work with the Mayor to resolve any anticipated shortfall' is supported but lacks clarity as to what actions are likely to result and who takes responsibility for under-performance.

Policy H2: Small Sites

The policy is unsound in some respects.

We have reservations about the evidence to support the assumptions regarding the numbers of new homes anticipated from small sites.

Policy H5: Delivering Affordable Housing

In line with London Plan, larger scale housing developments are primarily being delivered by re-use of brownfield land with their associated remediation and higher development costs. The London Plan policies and standards such as those in relation to internal space standard, energy efficiency / zero carbon / district heating, cumulatively have an impact on development viability. It is evident from the schemes that go before the Major through Stage 1 and 2 reviews that in a significant proportion of cases, schemes at present cannot viably meet the London Plan Policies and Standards and deliver a fully Policy compliant level of affordable housing.

Due to the costs, the affordable housing target is proving unachievable in the vast majority of instances. It is particularly unrealistic in regeneration areas where revenues are lower but costs remain high. The 'strategic' target is often adopted into London Local Authorities plans. The target gives rise to protracted negotiations and viability reviews which delay the progression of schemes and give rise to significant uncertainty.

The mayor needs to assess and evidence the cumulative impacts on development of all local standards, supplementary planning documents and policies on development viability. This form of assessment is outlined in para 173 / 174 of the NPPF. It is considered that in many cases the cumulative impact of these standards and policies puts implementation of the plan at serious risk.

To encourage investment in regeneration areas and to recognise that development viability is not the same across the whole of London, Policy H5 should recognise that this is a 'maximum' and that Boroughs should set their own local target in light of evidence on viability, market conditions and the need to bring forward sites to deliver housing targets in the London Plan.

Policy H6: Threshold approach to applications

Elements of the policy are unsound because they are unjustified and ineffective.

The Affordable Housing SPG established a minimum rate of 35% affordable housing and introduced early and late review processes. As detailed above, it is very difficult to guarantee at least 35% affordable housing against the Mayor's preferred tenure split as well as full policy compliance in all other areas.

It is considered that the Policy fails to recognise the different circumstances that existing within London. As part of the London Local Authorities review of their affordable housing policy, it is considered that they should have the ability to set a lower threshold for the 'fast track route'. We recommend the following change to Part b 1):

*The threshold level of affordable housing is initially set at:
1) a minimum of 35 per cent unless a lower threshold is established by a London Local Authorities in their development plan.*

We recommend the following change to Part C 3):

“meet other relevant policy requirements and obligations where feasible and viable to the satisfaction of the borough.”

We share the HBF’s concerns that Part B is unsound because it is inconsistent with national policy. The Mayor cannot introduce new policy, or a revision to existing policy, through SPG. Notwithstanding this, it is considered that this stated intention to review and potentially increase the threshold gives rise to further uncertainty. This is considered unhelpful at a time when the housing industry is being encouraged to further increase investment and delivery.

Part E 2) is unsound in terms of early and late stage viability reviews because it conflicts with the Government’s advice in its national guidance.

We share HBF’s concerns that the requirement for early and late viability reviews for all schemes not meeting the threshold is contrary to NPPG advice.

Paragraph 4.6.11 Existing Use Value Plus

Persimmon recognises the benefit of adopting standard approaches to valuation methodology and benchmarking land values. However, such a prescriptive approach does not accord with the guidance set out in the NPPF (Para 173). We share the HBF’s concerns regarding the Mayor’s direction that Existing Use Value Plus (EUV+) is the presumed approach to determining benchmark land value (BLV).

The NPPF requires plan-makers to ensure viability which includes the need to *“provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable”*. The NPPF is not being prescriptive as to the appropriate model to test viability and nor should the London Plan.

What constitutes an acceptable ‘plus’ is not clear in the London Plan and as such is open to interpretation. It should be recognised that landowners need to have an incentive / premium to release their land for development. There are localised and other factors that establish what this premium. London is a large geographic area with widely different land and development values.

The Mayor cannot stipulate EUV+ as the basis for assessing scheme viability and should adopt a more flexible approach.

Policy H7: Affordable housing tenure

The policy is unsound as it is not evidenced that this will unduly impact viability.

London Boroughs should not base their determination of tenure on the ‘40%’ of the total affordable housing based on housing need alone as detailed in draft Policy H7. In line with Par 50 of the NPPF, Consideration should also be given to local demand, widening choice where appropriate and the objective of widening the opportunities for stair casing to home ownership. In addition, London Local Authorities should consider the impact of tenure on development viability and the cumulative impacts of policies within the London Plan and their Local Plan.

Policy H9: Vacant building credit

The policy is unsound because it is inconsistent with national policy and because it is unjustified.

Vacant building credit is established through national policy and was introduced to promote development on brownfield sites containing vacant buildings. The current government guidance is considered fit for purpose and does not need to be re-interpreted via the London Plan.

A significant element of the new housing in London will be built upon brownfield sites and therefore the Mayor should be less dismissive of its application and ability to aid development viability. The necessity of this policy is questioned. In any event, the criteria in part B need to be amended to reflect national guidance in the PPG.

Policy H12 Housing size mix

The policy is unsound because it is inconsistent and unsound

We agree with part c) that '*Boroughs should not set prescriptive dwelling size mix requirements (in terms of number of bedrooms) for market and intermediate homes*'.

Notwithstanding this, part a) seeks to give decision makers a long list of factors to determine '*the appropriate mix of unit sizes in relation to the number of bedrooms*' i.e. the dwelling size mix. Part a) as drafted is inviting decision-makers to make a determination on housing mix on every scheme without having published guidance or supporting evidence. Whilst Borough wide assessments are helpful, these will not factor in site specific circumstances that influence housing mix, including marked demand and site constraints. It is considered that draft part a) brings about significant uncertainty which will harm investment decisions and allows decision makers to form judgements on acceptability of mix without having the necessary evidence.

We recommend that Part A be amended to read:

Applicants in their Design and Access Statements should set out how the proposed development has had regard to;

The accompanying text should recognise that 2 bedroom units make a contribution to family accommodation, particularly for starter homes and those with smaller families.

Chapter 5: Social Infrastructure

Policy SI1 Improving air quality

The policy is unsound because it does not clarify what is sought and risks implementation of the plan

The Policy recognises that it may not always be possible in practice for developments to achieve Air Quality Neutral standards or to acceptably minimise impacts using on-site measures alone. In such instance, it refers to the need for additional mitigation or offsetting payments. No detail is provided with regards offsetting payments, deferring such matter to 'further guidance on Air Quality Neutral and Air Quality Positive standards (para 9.1.11).

This is an additional cost to development. The cumulative impact on development of all existing and proposed standards, including SPD's, needs to be assessed. As recognised in para 173 and 173, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle.

Policy SL2: Minimising greenhouse gas emissions

The policy is unsound because it conflicts with national policy and because it is ineffective.

Draft policy SL2 requires that major development proposals achieve net zero-carbon. Paragraphs 174 and 177 of the NPPF make it clear that via the Local Plan process LPAs should assess the cumulative impact of policy burden, including housing standards, to ensure that it does not put implementation of the plan at serious risk. These targets will impact the ability for new development to contribute to other policy important policy objectives especially the delivery of affordable housing and public transport.

We do not support the policy because it deviates from the decision by Government to set standards for energy efficiency through the national Building Regulations and to maintain this for the time being at the level of Part L 2013. In 2013, The Housing Standards Review (the Review) was launched which sought to simplify and rationalise the raft of housing standards which local authorities applied to development. At the heart of the Review was a desire to reduce developer costs and create attractive conditions to significantly boost housing delivery. The industry was heavily involved in the Review. The outcome of the Review was the establishment via Building Regulations of mandatory baseline standards which apply nationwide to all developments. New homes are required to comply with Part L of the Building Regulations.

Whilst the Government has not yet enacted its proposed amendments to the Planning and Energy Act 2008 to prevent local authorities from stipulating energy performance standards in excess of Building Regulations, we consider that the Mayor should comply with the spirit of the Government's intentions to reduce the policy burden.

As part of the drive to deliver housing growth, government has recognised the need to reduce the policy burden and simplify / standardise the approach. Deviating from national standards adds cost and complexity which will ultimately slow delivery.

It is technically very difficult to achieve a minimum of 35% improvement on the current Part L in a feasible way. In light of this, many developments would need to make payments into carbon offset fund managed by the individual boroughs. This will

become a compulsory contribution for most developments amounting to a Carbon Tax. In addition to funding the off-setting, developers will be expected to pay for the running / administration of carbon offset funds run by the 32 authorities. This is a significant cost and an additional regulatory burden upon the developers.

London Local Authorities should be precluded from prescribing how energy efficiency targets are met. Developers should be free to select from the most appropriate and cost effective technologies to achieve the targets. In this regard, Part A of the Policy should not be prescriptive as this stifles innovation, narrows options / solutions and will ultimately drive up costs both for developers and future residents.

Paragraph 9.2.10 details what 'energy strategies' should contain. The requirements go significantly beyond showing compliance with the policy targets. It is evident that this is promoting the use of certain technologies (such as storage technologies, smart grids, heating networks) that may not be necessary to achieve compliance or indeed give rise to meaningful carbon savings. The depth and complexity of such an assessment together with a commitment to annual monitoring over 5 years adds to costs, complexity and the policy burden.

Policy SI3: Energy infrastructure

Part B could delay housing delivery

In terms of Energy Masterplans, the Policy should make it clear that it is the responsibility of the relevant London Local Authorities to produce these. Given the imperative to increase housing supply to meet needs, the Policy should make it clear that development should not be preclude pending the preparation and adoption of Energy Masterplans.

In addition, the Policy should require the Energy Masterplans to; (a) be consulted upon and (b) be subject to viability testing and (c) not seek to delay the delivery of housing developments, (d) have a clear delivery plan that identifies the role of various parties, including the public sector and utilities.

The Energy Masterplans should not solely look at the '*most effective energy supply options*' as this is too narrow a focus / brief. Consideration needs to be given to a range of other factors including viable, cost effective and deliverable.

Part D is unsound because it is unjustified.

We object to the requirement for developments with Heat Priority Areas to include communal heating systems. As detailed above, Planning policy should not dictate how Part L of the Building Regulations and policy targets are achieved. The approach is unduly prescriptive, will add to the complexity, regulatory burden and cost which will impact much needed housing delivery.

It is considered that part D should be deleted as it is unjustified. Furthermore, it is unnecessary as under part B of the Policy as 'Energy Masterplans' should be produced where necessary and established the optimal supply option/

We share the HBF concerns that communal heating schemes limit consumer choice in terms of energy supplier. Communal systems give rise to an ongoing financial liability which will add to cost of service charges, reducing affordability.

We recommend that part D is deleted and that the consideration of appropriate technologies is a matter for the developer unless there is an adopted Energy Masterplan which has considered and can justify why there is an optimal supply option that does not prejudice development.

Policy SI6: Digital connectivity infrastructure

Part 1 and 3 is unsound because they are vague and ineffective

It is not clear what is standard is being sought by A (1) 'achieve greater digital connectivity than set out in part R1 of the Building Regulations' therefore it is not clear how adherence to this policy would be judged and what cost this imposes on development. The Building Regulations set out the applicable national standard and Policy should not dictate an unspecified higher standard.

It is not clear how part (3) will be assessed during the application process and how reductions in connectivity would be judged. Again, this is adding to the procedural, cost and regulatory burden that will delay housing delivery. Mobile operator's licenses require them to provide coverage and it is in their commercial interest to ensure that they do. This part of the policy should be deleted.

Policy SI7 Reducing waste and supporting the circular economy

Part B is unsound because it is unnecessary

It is not clear why part B of this policy is only applicable to referable applications.

It is not evident how net zero-waste is defined and how adherence to this policy will be judged given that the requirement is to 'aim to be net zero waste'. In terms of the submission of a 'Circular Economy Statement' this appears unnecessary and unduly bureaucratic and would add to the complexity of development. Construction and remediation activities are normally controlled by a Construction Environmental Management Plan which will detail measures in relation to recycling, waste minimisation and efficiency. Details of waste / recycling facilities will need to be provided as part of the normal application process and to show adherence with the relevant standards. It is unnecessary to duplicate these submissions in a new document or to require an assessment of how much waste could potentially be generated and where the waste will be handled.

Policy SI13 Sustainable drainage

Part B is unsound because it is unnecessarily prescriptive

Part B contains a 'drainage hierarchy'. Given the overall requirement of part B to achieve green field run off rates and ensure drainage is managed as close to source

as possible, it is unduly prescriptive to prioritise the use of one measure over another. All these measures could play a part in ensuring the overall objective is met. In the event that the overall objective of achieving green field run off is achieved, it is unnecessary to justify why one measure is being used in favour of another. The hierarchy heavily favours the use of green and blue roofs without justification. Such measures would significantly increase the complexity and cost of build. Furthermore, they need long term specialist management measures which again add complexity and cost.

It is recommended that the hierarchy is omitted. If a hierarchy is deemed necessary, it should revert to that at Policy 5.13 of the current London Plan.

In terms of Part C, impermeable paving is not harmful whereby there is a satisfactory drainage scheme and green field run off is achieved. Impermeable paving may be required in areas where ground conditions do not allow for infiltration drainage. A blanket ban on impermeable paving is not necessary. If this is directed at the conversion of gardens into parking areas, the policy should make this explicit.

Chapter 6: The Economy

We share the HBF's concerns that this Chapter places far too much onus on residential developers to address London's employment space issues and places policy hurdles that could render development unattractive, unviable or unduly complex. This will not assist in terms of meeting the national and London imperative of boosting housing supply.

We concur with and support the HBF's comments in relation to the following policies;

Policies E1: Offices

Policy E2: Low-cost business space

Policy E3: Affordable workspace

Policy E4: Land for industry, logistics and services to support London's economic function

Policy E5: Strategic Industrial Locations

Policy E6: Locally Significant Industrial Sites

Policy E7: Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function

Policy E11: Skills and opportunities for all

Chapter 8: Green Infrastructure and natural environment

Policy G2: London's Green Belt

The policy is unsound because it conflicts with national policy.

The NPPF requires local planning authorities to establish their Green Belt through the preparation of Local Plans (paragraph 83). This allows for Green Belt boundaries to be altered in exceptional circumstances through the Local Plan. Policy G2 seeks to remove this ability. It is not considered that in line with the NPPF, it should be for

individual local authorities to consider their green belt boundaries, how best they can meet their housing needs and discharge their Duty to Co-operate. The Mayor has not undertaken a strategic Green Belt review in order to assess whether its boundaries remains appropriate (either increased or decreased) and should not direct LPA's in this regard.

We concur with the HBF that Part B of the policy, therefore, should be re-drafted to reflect the national policy:

“B In preparing their Local Plans the Boroughs will:

- 1) extend the Green Belt in exceptional circumstances;*
- 2) de-designate land in the Green Belt in exceptional circumstances.”*

Policy G4: Local green and open space

The policy is unsound because it conflicts with national policy.

We concur with the HBF that the designation and protection should be a matter for the individual London Local Authorities.

Policy G5: Urban greening

The policy is unsound because it is ineffective.

We concur with the HBF that it is a local matter and should be devolved to the individual LPA's development plans.

Chapter 10: Transport

Policy T1 Strategic approach to transport

Persimmon support the Mayors policy requiring *‘the most effective use of land’* as this will be critical in order to deliver the growth envisaged in the draft London Plan.

This ambition is often not shared with outer London Boroughs who push to achieve maximum car parking provision which does not make an effective use of land and re-enforces car dependency.

Policy T4 Assessing and mitigating transport impacts

Part f is unsound because it is imprecise and does not accord with National Policy;

Part F states that ‘Development proposals should not increase road danger’. Every trip generates the risk of an accident. It is considered that this policy is too imprecise and open to interpretation. It does not accord with the test at para 32 of the NPPF;

'Development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe'.

Chapter 11: Funding the London Plan

Policy DF1: Delivery of the Plan and Planning Obligations

Part A is unsound because it is contrary to national policy.

Part A states that applicants should account for Development Plan policies (i.e. the London Plan and the Local Plan) when developing proposals and acquiring land. Site specific viability testing should be the exception rather than the norm. As detailed in the HBF reps, this is contrary to national policy (NPPF para 205, 173 and NPPG Para 006 (Ref ID: 23b-006-20140306)) which recognises the need for flexibility in the application of policy and have regards to viability to ensure competitive returns.

The Mayor's approach is to expect that all the aspirations and requirements of the plan can be met and if they cannot, this is a result of decisions made during option or land acquisition. Clearly a significant number of options / land acquisitions for residential development will have been made before the publication of the draft plan. In addition, it ignores the realities of development which need to have regards to alternative use values, competitive returns and having a willing landowner.

The NPPF (Para 173-174) recognises the need to assess the likely cumulative impacts of 'all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards'. The *London Plan Viability Study*, December 2017 recognises that individual schemes will face viability challenges (14.3.1). We are concerned that this draft London Plan adds a number of additional costs and tiers of complexity to the existing London Plan. This is at odds with the desire to lift the bureaucratic burden and increase housing delivery.

We support the HBF's recommendation that Part A is re-worded to read:

"Applicants should take account of Development Plan policies when developing proposals and acquiring land. While the priority for planning obligations is affordable housing and contributions to necessary public transport improvements, Boroughs will need to be flexible in the pursuit to other policy objectives and have careful regard to the viability of schemes and to ensure that housing targets are achieved."

Yours sincerely



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