

Sadiq Khan (Mayor of London) New London Plan GLA City Hall London Plan Team Post Point 18 FREEPOST RTJC-XBZZ-GJKZ London SE1 2AA

By Email and Post.

Email: LondonPlan@london.gov.uk

02 March 2018.

Dear Mayor

#### **Draft London Plan Representations.**

Taylor Wimpey UK Limited (TWUK) is one of the County's leading housing builders, delivering almost 14,400 new homes in 2017.

TWUK makes a significant contribution to the provision of housing in London by providing new private and affordable homes and creating sustainable communities across London, developing in all zones with business units in Central London, East London, West London, North Thames and South Thames. In 2017, we delivered approximately 1160 new homes in London.

We have previously provided responses to the Mayor of London's Draft SPG "Affordable Housing and Viability" and more recently to the GLAs London Housing Strategy and welcome the opportunity to provide representations on the Draft London Plan.

To help address the need for housing in London, we believe it is essential that Council's have an up to date plan in place that allocates sufficient land based on existing and future housing needs of communities that should be aligned with its economic growth strategy.

We are supportive of the early review of the London Plan and the positive approach to significantly increase the annual housing requirement from 42,000 to 66,000 new homes each year, albeit we do not agree that this is the correct starting point. The uncapped requirement figure for London as set out within DCLGs standard methodology paper (Sept 2017) identifies an annual need of 95,267 homes. The disparity between the two figures is a cause for concern

Our main concerns however relate to whether the housing target can be delivered, given the plan's overreliance on sites yet to be identified through any site allocation process, and generic assumptions housing numbers to come from opportunity and windfall sites.

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Taylor Wimpey UK Limited Registered Number: 1392762 England and Wales. Registered Office: Gate House, Turnpike Road High Wycombe, Buckinghamshire HP12 3NR Failure to properly plan to meet the needs of Londoners will place further pressure on the housing market in London and the South East. It also risks the London Plan becoming out-of- date before it is even adopted.

Finally, we are concerned that there has been lack of engagement with neighbouring authorities on matters of strategic importance such as housing and as such the plan has failed to properly address the requirements of Paragraph 178 of the NPPF (2012). Coupled with the introduction of prescriptive policies that are inconsistent with National Policy including Policy G2 London's Green Belt, we believe this will make it difficult for Local Planning Authorities and the Industry to address London's housing need.

Our attached representations, have been structured to reflect the Chapters, Policies and Supportive Text of the Draft Plan.

We would be happy to discuss the content of our representations with you and provide further supporting information as necessary.

Yours sincerely

Mark Skilbeck

**UK Planning Director.** 

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#### THE DRAFT LONDFON PLAN - DECEMBER 2017.

#### REPRESENTATIONS BY TAYLOR WIMPEY UK LTD.

## Introducing the Plan.

# Para 0.0.14

The Mayor States that whilst the London Plan runs from 2019 to 2014, some of the more detailed elements of the Plan, such as the housing targets are set only for the first ten years of the Plan and will be reviewed before 2029.

As a starting point, the OAN assessment should reflect the baseline period of coverage 2019 to 2029 rather than a starting point of 2016 through to 2041.

Clarity is also required on how the housing targets will operate after this date and the relationship with the 35 London Boroughs whose plans and SPD's will be prepared to take account of this target.

The London Plan carries national significance in terms of its contribution towards the UKs economic prosperity and housing supply. Failure to deliver the proposed annual housing target would have major implications for the delivery of much needed homes in the capital.

The Plan should therefore introduce a review mechanism - where a review of its housing policies and those policies that impact upon the delivery of housing including spatial and design related policies would be triggered if the annual housing targets are not achieved. There should also be a review of the Affordable Housing SPD (2017) which directly affects the delivery of homes within London.

Guidance should be provided regarding the planning weight to be given to Local Plans that have recently been adopted in the context of the London Plan 2016.

# Para 0.0.20

We do not agree that delivering on a specific mayoral commitment and particular circumstances of London provides sufficient justification to deviate from NPPF and established practice.

Whilst the London Plan is not a Local Plan, it operates as such in terms of establishing strategic spatial policies that will inform the preparation of the 35 London Borough Plan's.

We strongly object to the following departures from NPPF:

- Approach to assessment of Objectively Assessed Housing Need and Supply;
- Direction that London LPAs do not need to prepare Part 1 Plans;
- Approach to Green Belt; and
- Recasting of the Use Classes Order.

The potential impact of these departures represents a fundamental risk in terms of

- Failure to plan to meet the needs for market and affordable housing in the housing market areas;
- Failure to deliver a wide choice of homes in terms of mix, type, tenure and range that is required in particular locations, reflecting local demand; and

• Restricting the ability of Councils to plan for growth that may include a review of Green Belt Boundaries in exceptional circumstances in line with NPPF.

# Para 0.0.21 and 0.0.22

Clarification is sought whether Local Planning Authorities will be required to undertake Objectively Assessed Needs as part of their local plan preparation or whether this figure will be set by the London Plan.

The paragraphs indicate that, given the London Plan is part of every borough's development plan, there is no requirement for the policies to be repeated at the local level before they can be implemented. This will allow Boroughs to spend more time on measures that will help deliver the growth London needs.

This suggests that the London Plan Policies will take immediate effect and relevant housing policies within adopted plans will be out of date where they fail to demonstrate a five -year supply of deliverable housing sites.

Of particular concern is the ability of London LPAs to accommodate the London Plan targets given the lack of any robust independent assessment of both OAN and supply of deliverable sites.

There will also inevitably be a delay following adoption of the London Pan as London LPAs seek to allocate sufficient sites via Local Plans, Site Allocations DPDs or similar.

This raises further concerns over the London Plan and the ability of the Mayor and London Boroughs to deliver their annual housing targets.

## Chapter 1 Planning London's Future (Good Growth Policies)

#### Para 1.4.3 & Para 1.4.4

The 2017 London SHMA has identified a need for 66,000 new homes each year, for at least 20 years.

Para 1.4.4 states that in partnership with boroughs, the Mayor has undertaken a Strategic Housing Land Availability Assessment to identify where the homes London needs can be delivered. Boroughs can rely on these targets when developing their Development Plan documents and are not required to take account of nationally-derived local-level need figures.

In September 2017, the Government published its Consultation Proposals "Planning for the Right Homes in the Right Places". This introduced a standardised approach to assessing Housing Need in England.

Notably, the standard methodology indicates a base requirement for London of 72,407 dpa without applying any adjustments to account for economic growth and employment projections. Whilst the figure does include an adjustment to take account of affordability (market signals), this number is capped.

Our representations to DCLG argued that applying an artificial cap to a baseline OAN, would supress the housing need figure and undermine the Government and industry's objectives to address the current housing crisis. NPPG states that OAN must be based on facts and unbiased evidence and that Plan makers should not apply constraints to the overall assessment of need. These will be addressed when bringing evidence together to identify specific policies within development plans.

Removal of the cap would result in an annual requirement for London of 95,267 dpa.

Paragraph 44 of DCLG's consultation recommends that the standardised methodology approach should apply to elected Mayors with plan-making powers, although there may be compelling circumstances not to adopt the proposed approach that must be properly justified and subject to examination.

Paragraph 47 of DCLGs consultation states:" There should be very limited grounds for adopting an alternative method which results in a lower need than our proposed approach. The reasons for doing so will be tested rigorously by the Planning Inspector through examination of the plan. We would expect: the Inspector to take the number from our preferred method as a reference point in considering the alternative method; and the plan-making body to make sure that the evidence base is robust and based on realistic assumptions, and that they have clearly set out how they have demonstrated joint working" (DCLG Sept 2017)

We believe the proposed 66,000 falls significantly below London's housing needs and that the starting position should reflect the uncapped figure of 95,267 from the Government's Standard Methodology approach.

Compelling evidence has not been put forward to justify why London is not required to take account of the Government's Standard Methodology.

As set out in NPPG, constraints to delivering the OAN will be addressed when bringing evidence together to identify specific policies within development plans. This will include a requirement to demonstrate joint working.

Given the London Plan is effectively setting the housing targets for the London Boroughs, evidence should be prepared to demonstrate co-operation with adjoining Planning Authorities in line with Paragraph 178 of NPPF (2012). This is particularly relevant given the proposed OAN falls below that set out in DCLGs standard methodology that could result in adjoining planning authority's having to plan for their own needs and a share of London's unmet need.

<u>Para 1.4.4</u> of the draft plan states that in partnership with boroughs, the Mayor has undertaken a Strategic Housing Land Availability Assessment to identify where the homes London needs can be delivered.

Notwithstanding our concern that the proposed housing need figure falls below London's requirement, we are unconvinced that the London Plan will facilitate the delivery of 66,000 homes per year. This is due to the following factors:

# SHLAA Evidence.

Plans should identify key sites that are critical to the delivery of the housing strategy over the plan period, together with a 5 yr supply (plus buffer) of specific deliverable sites. These sites should be subject to independent assessment to ensure they are viable and capable of delivery within the point envisaged.

The SHLAA evidence indicates that London has capacity for 649,350 homes during the 10 yr period covered by the London Plan from Large Sites, Small Sites (below 0.25 Ha) and a contribution from non-self-contained accommodation.

However, this relies heavily on assumptions concerning capacity, densities and delivery time frames from unidentified sites over the next 10 years.

Whilst the SHLAA is not a site allocations document, it has informed the proposed distribution of housing numbers based upon the capacity of London Boroughs to accommodate such growth over the first 10 years of the Plan. It is therefore correct that the SHLAA should be robust.

We have the following concerns:

# Large Sites 40,000/year (62% of total)

Planning Approvals 14,000/yr

- consideration should be given to lapse rates and re-plans;
- the assessment should differentiate between outline planning permissions and detailed permissions and whether or not reserved matters have been approved. This will directly impact on delivery time frames;
- assumptions on build-out-rates should be tested against market evidence.

# Allocations 15,500/yr

- consideration to be given to their net developable area, and
- whether they remain deliverable or developable under NPPF Footnotes 11 and 12.

# Potential Development Sites 10,000/yr

- assumptions over net developable areas and densities to be independently tested; and
- whether they are deliverable or developable under NPPF Footnotes 11 and 12.
- These sites should be subject to testing at the Local Plan Examination for robustness;

# Low Probability Sites

• These should be discounted from the assessment .

## Small Sites. 24,500/year (38% of total)

Whilst the TWUK is supportive of opportunities to increase the role of SMEs to help deliver London's housing need;

- There is an overreliance in contributions from small sites towards the overall capacity assessment;
- Modelled small sites account for 28.7% of London's overall Housing supply these are essentially windfall sites and it is misleading to disaggregate them from the windfall contribution.
- Para 48 of NPPF states that LPAs can make an allowance for windfall sites in the five-year supply if they have a compelling case. Any allowance should not include residential gardens.
   The SHLAA projects windfall and small site contributions over 10 years rather than 5.
- There is no evidence or compelling case to support the level of contributions from unidentified small sites.
- Density assumptions disregard key development criteria including, market demand, site suitability and viability.

## **Draft Policies**

The plan contains a number of Polices that are overly prescriptive, place unreasonable burdens on both developers and Local Planning Authorities to be able to plan to meet their housing needs, and

cumulatively are likely to have a detrimental impact on the viability of housing schemes that will prejudice sites coming forward for development or the delivery of policy compliant schemes.

# Track Record

In 2014/15, net housing completions were 31,894 units (London Plan AMR 2014/15). This figure matched the minimum targets expressed in the London Plan 2011. In 2015/16 net completions were circa 38,500, some 10,500 below the full OAN.

The revised requirement set out in the draft plan of 66,000 homes per year, represents an increase of 24,000 homes /year above the previous minimum requirement (42,000 homes/yr).

In terms of delivery, London will have to increase on its 2015/16 delivery by some 71 % to achieve the revised minimum level of housing need each year. We have concerns that this is not deliverable unless Local Planning Authority's identify a substantial buffer to their 5 year housing land supply to ensure choice and competition in the market for land. To maintain such a supply we believe that Local Authorities will have to co-operate with adjoining non-London planning authorities.

We also anticipate a time lag between adoption of the London Plan, allocation of additional sites through Local Plans to reflect the revised need figures and delivery of units on these sites. Whilst there is a current pipeline of existing sites and consents, these do not cater for the increased need figures.

This suggests there will be an annual shortfall to be made up in the early years of the plan, putting greater pressure on the London Boroughs to find sufficient housing sites.

It may be possible to address some of these issues via the following actions:

- Detailed Review of Large SHLAA sites as part of London Plan Preparation and EIP to provide greater comfort that they will come forward within the 10 yr period against NPPF footnote 11 and 12.
- Reducing the assumed level of contribution from small sites and Windfall to a more realistic level that is evidence based;
- Co-operation with adjoining Authorities to identify additional opportunities, potential reserve sites, and safeguarded land.
- Amendments to Policy wording to provide greater flexibility for LPAs to deliver housing this
  is addressed later in our representations.

## Policy GG4 Delivering the homes Londoners need.

The Policy requires that those involved in planning and development must:

- support the delivery of the strategic target of 50 per cent of all new homes being genuinely affordable; and
- establish ambitious and achievable build-out rates at the planning stage, incentivising buildout 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 value.

We believe this Policy to be overly prescriptive and inflexible.

Affordable housing requirements should be based on objectively assessed needs in the housing market area. Para 173 of NPPF also states that: "To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of

development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable." Para 177 also states that any affordable housing or local standards requirements that may be applied to development should be assessed at the plan making stage, where possible and kept under review.

Whilst we support the principle of encouraging ambitious and achievable build out rates, clarification is required on how the Mayor intends to incentivise developers to ensure this will not have the opposite effect.

The policy as currently worded is not supported.

#### Chapter 2 Spatial Development Patterns

#### Policy SD3

We support the commitment that the Mayor will work with relevant WSE partners to release the potential to support housing and business development growth. However, this should be undertaken as part of the current London Plan Review.

#### Paras 2.3.1 to 2.3.5

As previously identified in our representation, we are concerned that evidence set out in the SHLAA does not provide sufficient comfort that London will be able to accommodate its identified need within the 10 yr period and that the proposed OAN falls below that required to meet the needs of Londoners.

We do not therefore agree with the supporting text that suggests London's growth can be accommodated without working with neighbouring authorities as part of the current Plan review.

#### Chapter 3 Design

# Policy D2 Delivering Good Design.

We are fully supportive of the objective to achieve good design. This is fundamental to good placemaking principles and creating sustainable communities.

To establish the most appropriate form of development for an area, the Policy should require Councils to undertake early engagement and collaboration with the neighbourhoods, local organisations, and businesses, including land owners and developers.

The Policy should also be amended to reflect paragraph 173 of NPPF to ensure the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened.

The level of information required from applicants should be proportionate to the nature and scale of development proposals and should not present a barrier to applicants. We are concerned that the level of supporting details (e.g digital modelling) and engagement required could represent a barrier to the promotion of housing schemes due to the risk of associated costs and delay, particularly for SME's and developers of Small Sites.

We are supportive of pre-application engagement, that can assist in helping speed up the process and resolve any issues as early as possible. However, local authorities cannot require that a developer engages with them before submitting a planning application, but should encourage take-up of any pre-application services they do offer.

Policy requiring architect retention clauses in legal agreements or as a condition of planning permission is unreasonable and unlikely to satisfy the tests under Reg 122(2) of the CIL Regulations (2010) and should be deleted.

For the above reasons we object to Paragraphs F, G and H of Policy GG4 and Sub paragraphs 3.2.4, 3.2.5, 3.2.7, and 3.2.10.

#### Policy D4 Housing Quality and Standards.

The wording of this Policy and supporting text introduces extremely detailed and prescriptive controls over design. We believe such matters should be dealt with by individual planning authorities via their Local Plan and supplementary guidance.

Further to the above, space standards should only be applied where there is a local plan policy based on evidenced local need and where the viability of development is not compromised.

# Policy D6 Optimising Housing Density

We support proposals that encourage the most efficient use of land.

The Policy and supportive text however fails to have regard to the need for developments to reflect market demand. Developments must also be viable to ensure they come forward to meet the identified need for housing over the plan period.

Part B of the Policy states that the density of development proposals should be linked to, the provision of future planned levels of infrastructure rather than existing levels. This may require the phasing of development to reflect the future delivery of supporting infrastructure.

Unless there was a guarantee that future infrastructure would be delivered; available funding; requisite planning and other permissions; control over land required to deliver the infrastructure; and certainty over timing, it would be extremely difficult for applicants to commit to such schemes.

It is not always possible to purchase land in traches, and acquiring land with little or no comfort that it could be developed in the future, is unlikely to be viable for the purchaser or the seller if such risks resulted in a land value below their expectations. Secondly, if land was purchased in phases, to create sustainable communities, both the developer and home owners would want the infrastructure to come on-line as soon as possible to ensure good place making and minimise future disruption associated with delivering infrastructure.

One of the problems with the current Community Infrastructure Levy is that developers are unable to rely on Councils to deliver infrastructure, even though they have contributed towards it through their CIL payments.

Developers need the comfort and certainty that infrastructure will be delivered if it is necessary to support the development proposals.

# Para 3.6.8 Management Plans

It is unreasonable to expect applicants to provide detailed management plans to councils at planning application stage. This level of detail is overly onerous and at an early stage in a development's planning, with no certainty of positive outcome is unlikely to lead to increased cost and time delay without material benefit to the planning decision outcome. This will be particularly the case at Outline Planning Application Stage where layouts may be illustrative and details such as appearance, access, landscaping, layout and scale reserved for approval at a later planning stage.

#### Chapter 4 Housing

# Policy H1 Increasing Housing Supply.

#### Part A

For reasons set out in our comments to Chapter 1 Planning London's Future (Good Growth Policies Paras 1.4.3 and 1.4.4), we object on the basis that the OAN as proposed is unjustified and the spatial distribution of numbers is not based on a robust assessment of sites and is not considered deliverable.

# Part B 1)

We object on the basis that this part of the policy is overly prescriptive and should be deleted. LPAs should be able to prepare their own Part 1 plans.

# Part B 2 D)

Where LPAs identify a shortfall in supply, this should trigger a review of the London Plan.

# Table 4.1 10 year targets for net housing completions (2019/20 -2028/29)

The period of coverage in the title reflects 9 yrs rather than 10 yrs.

#### Para 4.1.7

As set out in our comments to Para 1.4.4, we have concerns over the SHLAA methodology and over-reliance on delivery from Small Sites.

# Policy H2 Small sites

#### Part B2)

We are supportive of positive planning policy that makes it easier for SMEs to bring forward housing delivery from small sites.

However, as identified earlier in our representations, we are concerned that the amount of detail and supporting evidence required from both Policy and Supporting text may create unreasonable burdens in terms of both costs and time and would not be proportionate to the proposals.

## Part H

Boroughs wishing to apply affordable housing requirements to sites capable of delivering ten units or fewer and which have a maximum combined gross floor space of no more than 1,000 sqm does not comply with current national planning policy which exempts schemes of 10 units or fewer from Affordable Housing. Proposals to depart from national policy should be argued by the London Boroughs with compelling evidence to justify their position.

# <u>Table 4.2 - 10 year targets (2019/20 -2028/29) for net housing completions on small sites (below 0.25 hectares in size)</u>

As set out previously, we are concerned that there is an overreliance on supply from Small Sites and that the assumptions made do not have regard to local demand, site constraints and opportunities or viability.

Where the annual target from small sites is not being delivered, the Local Planning Authority should be required to review its Local Plan, or prepare a site allocations DPD to ensure a supply of specific deliverable sites to provide 5 years worth of housing is maintained.

# Policy H3 Monitoring housing targets.

Parts C and D state that net non-self contained accommodation for older people (C2 use Class) and Student Accommodation (on a ratio of 3:1) should count towards meeting housing targets.

Whilst NPPG indicates the above approach may be acceptable, there must be no double counting.

## Para 4.3.3

It is the Mayor's view that the Government's proposed Housing delivery test should not unfairly penalise boroughs where housing delivery has been constrained.

We do not feel that London Boroughs should be given any special dispensation regarding the delivery test. Many authorities across the Country also face significant constraints and housing pressures.

Authorities are encouraged to bring forward sites that are deliverable throughout the plan period rather than relying on a small number of major sites that are unlikely to deliver homes until well into the plan period. Whilst major sites are extremely important in their contribution to the overall supply, a range of sites are required to help address the immediate housing crisis.

Given London's housing target is for the first 10 years of the plan, it is vital that sufficient deliverable sites are identified as early as possible, plus a buffer to help achieve its delivery target and maintain a 5 yr housing land supply.

# Policy H5 Delivering affordable housing & Policy H6 Threshold approach to applications

Taylor Wimpey wishes to reiterate its comments made in February 2017 to the consultation Draft SPG on Affordable Housing and Viability, since adopted in August 2017, and recommends a review is undertaken to assess the SPG's effectiveness in delivering additional homes including affordable homes. We consider any update to the SPG should have full regard to Paragraph 173 of the NPPF which states that sustainable development requires careful attention to viability and costs in planmaking and decision-taking. It identifies that the scale of obligations and policy burdens should not threaten the viability of development and these burdens should enable competitive returns to a willing landowner and willing developer. The NPPF clearly requires planning policy to have regard to the market.

In order for the Mayor to meet his 35% affordable homes target, we would urge the GLA to include greater flexibility of tenure in cases where it is not possible to viably meet the target. In cases where the maximum reasonable amount falls below 35%, the Housing Strategy should make provision for increased levels of shared ownership units or discount market sale units to assist the Mayor in meeting his overall affordable housing target.

To address this concern, we strongly recommend that Part C 3) is re-drafted to allow the London boroughs to decide the overall policy package having regard to the overall viability of the scheme and other material considerations.

<u>Part B of Policy H6</u> is not supported. Any revision to the 35% threshold should be undertaken through a review of the London plan policy rather than via an amendment to the SPG.

# Part E of Policy H6 is not supported.

The introduction of Early and Late Stage Viability Reviews does not accord with guidance set out in NPPG that suggests reviews should only be considered for multi phased schemes that will be built out gradually over a long period of time where values may well fluctuate significantly.

Such review mechanisms fail to account for the risks and uncertainty associated with committing to a residential scheme in London. The developer is unlikely to realise any positive return on their capital outlay and risk until a significant number of homes have been sold. It is therefore unreasonable to impose any review that triggers before the scheme is significantly advanced and represents such a multi phased scheme as set out in NPPG.

# Paragraph 4.6.11 Existing Use Value Plus

The Mayor's direction in this paragraph that Existing Use Value Plus (EUV+) is the presumed approach to determining benchmark land value (BLV) is unsound because it is inconsistent with national policy.

NPPF Para 173 states "To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable."

There is no single approach to assessing viability. One of the main flaws with EUV Plus is that is fails to reflect either the current market or site specific issues given the mark up is an arbitrary figure or multiplier. Alternative approaches may better reflect the market value of a site and the Mayor should not therefore stipulate a preferred basis for assessing scheme viability.

# Policy H7 Affordable housing tenure

We object to this Policy given it is overly prescriptive and unjustified.

Details of affordable housing tenure should be addressed by individual planning authorities through their development plans.

Where developers provide a minimum of 35% affordable housing that reflects the needs of the Local Authority, the applicant should benefit from the fast track approach.

### Policy H9 Vacant building credit

There is no sound basis for removing the VBC as set out in the proposed policy.

VBC as introduced by the Government through its Written Ministerial Statement of 28 November 2014 should continue to apply to London.

#### Policy H15 Specialist older persons housing

# Part C and para 4.15.3

This Policy and Supporting Paragraph seeks to reclassify extra care accommodation as C3 Housing,

We object to this proposal. It is inconsistent with the Use Classes Order (as amended). It is not for the London Plan to amend the Use Classes Order.

In the recent Commons CLG Select Committee report "Housing for Older People" (8 February 2018) the treatment of specialist older people's housing in the planning system is considered:

"Extra care is set up to fulfil many of the functions that care homes can provide in terms of care delivery as and when the resident requires it, monitored by an onsite care team and there is access to communal facilities. There are controls over who can occupy them by age and a need for care that do not exist on C3 standard dwellings" Para 125.

## Chapter 6 Economy

#### Policy E1 Offices

This policy and supporting text should be revised to include opportunities where a net loss of office space may be appropriate to reflect paragraph 22 of NPPF and other circumstances including off site provision, intensification of use, viability, or design constraints to bring forward housing and mixed use opportunities.

#### Policy E2 Low-cost business space

# Para B 2)

This policy requires an equivalent amount of B1 space to be re-provided where proposals include the loss of existing B1 space.

We believe the policy should be more flexible to encourage the redevelopment of old and under used or in-efficient B1 stock. This should not necessarily require a like for like replacement of B1 floor space to yield equivalent or improved benefits in terms of job opportunities from more efficient modern facilities. Regard should also be given as to whether replacement like for like is viable and represents the most appropriate and best use of a site.

The policy should also reflect the potential to relocate B1 uses off site that may allow a more efficient use of the development site.

# Policy E3 Affordable workspace

#### Part F

Whilst we recognise that workspace should be available to provide jobs for residents of mixed -use schemes, this does not require all of the workspace to be operational day one. It should be possible to phase this development to meet local need. Providing such workspace on day one may not be compatible with the master planning or phasing of a development site. Consideration must also be given to the phasing of schemes to ensure their viability is not threatened.

# <u>Policy E7 Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function</u>

This policy is overly restrictive and should be amended to set out criteria for dealing with planning applications. Where the development plan policies are out of date or are simply not achieving their objectives, opportunities for bringing forward the redevelopment of such sites should not be prohibited as currently set out in the policy. The policy should be revised to reflect Para 22 of NPPF.

# Chapter 7 Heritage and Culture

#### Policy HC5 Supporting London's culture and creative industries

We welcome the continued growth and evolution of London's diverse cultural facilities and creative industries.

Part A4 of the Policy considers the use of vacant properties and land for pop-ups or meanwhile uses. Whilst such uses can stimulate vibrancy and viability on vacant sites, careful consideration must be given to ensure that the protection of such uses does not delay of prejudice the redevelopment of such sites.

#### Paragraph 7.5.6 & 7.6.7

The wording of this paragraph concerning meanwhile uses should be amended to reflect the above to ensure that such uses do not prejudice the redevelopment of vacant sites.

# Chapter 8 Green Infrastructure and Natural Environment

## Policy G2 London's Green Belt

This policy should be amended to reflect NPPF Paragraphs 82, 83, 84 and 85 that set out circumstances where existing Green Belt Boundaries may be altered and new Green Belt established.

#### Policy G3 Metropolitan Open Land

This policy should be amended to reflect circumstances where it may be possible to alter, replace or establish new Metropolitan Open Land.

### Policy G5 Urban greening

We support proposals to improve the quality of the environment and contribute to the greening of London as a fundamental and integral element of planning.

It should be recognised that sites may not always lend themselves to the measures set out in the Policy and alternative approaches to Urban Greening should be considered including off-site measures.

The policy may also impact on the viability of development, particularly in combination with other design led policy requirements set out in the plan and a balanced approach should be taken to reflect Para 173 of NPPF: "Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened".

Viability issues could in part be addressed through a more flexible approach and accepting alternative measures to achieving Urban Greening objectives.

#### Chapter 9 Sustainable Infrastructure

# **Policy SI1 Improving Air Quality**

We support the ambition for improved air quality in London but have concerns that sufficient and appropriate technical guidance and process needs to be in place for objective decision making. Without an objective framework for concepts such as 'Air Quality Neutral', 'Air Quality Positive' or 'Air Quality Offsetting' there is a risk of subjectivity, disagreements and delays.

#### Policy SI2 Minimising Greenhouse Gas Emissions

While we are supportive of efforts towards a low carbon future we would want to make sure that measures in place are proportionate and fair, and do not compromise other policy areas.

The policy requires that major development proposals should be net zero-carbon. New homes built in the last decade are far more energy efficient than the rest of the existing housing stock. New homes are required by law to comply with Part L of the Building Regulations. The new homes that will be built in London over the next decade will constitute a very small percentage of London's overall dwelling stock. We are concerned that any objectives for energy efficiency directed at new builds that aim for higher levels targets of energy efficiency than the current Building Regulations will have a very minor impact on improving energy efficiency across Greater London. The targets could have a much greater

impact on the ability for new development to contribute to other policy objectives especially affordable housing and public transport.

We are also concerned about the potential proliferation of standards. Different standards across the country will make it more difficult to deliver the homes that the country needs.

The 'zero carbon' policy in reality appears to be a higher efficiency target and a tax. It comprises a 35% improvement on the current Part L coupled with a 'tax' if the 35% cannot be approved on site. Applicants must pay into a carbon off-set fund operated by the local authority (or look at alternative offsets). It appears similar to the 'allowable solutions' the Government proposed but dropped. We would like to see objectively and transparency around carbon offset payments to the Boroughs (in place since 2016) and assurances that these are being used for carbon offset purposes and are not just a development tax.

It seems inappropriate to proscribe routes to achieving the energy efficiency targets established in the Building Regulations. The route to achieving carbon compliance should be technology neutral. This will enable developers to choose the most appropriate, cost-effective and publicly popular technologies to adopt.

# Policy SI3 Energy Infrastructure

Specifying Heat Priority Areas must provide communal heating systems takes away neutrality in terms of how regulatory requirements and policy targets are met. It may advance the interests of the producers of particular technologies but deny developers the choice of the best technologies to adopt

While we support moves towards a low carbon future we are concerned about the use of some district heating technologies in circumstances:

- We are concerned that customers may be trapped into expensive communal heating schemes with long term and expensive maintenance requirements.
- It is not clear the customer has any benefit on their energy bills
- The public has a right to switch supplier which is denied
- As the fabric of buildings become increasingly efficient the benefits of shared heat reduces
- The capital costs can be high and it is often not clear that district heating is a cost-effective solution compared to some alternatives
- Some technologies (e.g. gas fired) may be low carbon today but may lock us into a higher carbon future over their lifetime

#### Policy SI4 Managing Heat Risks

We recognise the need to minimise internal heat gain and the impacts of the urban heat island including through design, layout, orientation and materials. The way in which this is achieved needs to be pragmatic, deliverable and cost effective.

# Policy SI5 Water Infrastructure

We believe that the minimising of the use of mains water in line with the Optional Requirement of the Building Regulations should not be a priority. The HBF (Home Builders Federation) have conducted some research on leaks and identified that cumulatively the Water and Sewerage Sector in England Wales loses around 25% of all potable water supplied across all customers. The last reported figures in 2015 confirmed a daily loss of 3,136 mega-litres/day. The HBF found little evidence in progress in leakage reduction. If water efficiency is taken too far in a residential context customer satisfaction

with their appliances and homes reduces, and there is some evidence that they replace their low flow showers and taps with higher flow ones.

# Policy SI6 Digital Connectivity Infrastructure

We are supportive of a high quality digital infrastructure for London to achieve greater digital and mobile connectivity. This is good for residents and positive for development. However we do not consider it appropriate to stipulate standards that are higher than current Part R1 of the Building Regulations.

# Policy SI7 Reducing waste and supporting the circular economy

The policy is not correct when it says, 'waste is defined as anything that is discarded'. The legal definition of waste of course includes discarding but also includes the 'intent to discard;' or a 'requirement to discard'. Therefore, whether a material is a waste or not on a particular construction project, all the circumstances around that material need to be taken into account. For example, a soil may be or may not be a waste depending on the intention of the developer, or the legal waste transfer mechanism used. This is important if a 95% recycling target is going to be set for construction, demolition or and excavation waste, for the target to have credibility.

The zero biodegradable or recyclable waste to landfill is also of concern. All waste is potentially recyclable, but there are diminishing returns for more difficult wastes. For example, it may be straightforward to recycle the first 80% of a waste stream, but then challenging to recycle the last 5%, with significant cost (£), human (e.g. picking stations) and environmental (e.g. energy and water) implications that outweigh the benefits.

The Circular Economy Plan has some similarity to the former Site Waste Management Plans. Site Waste Management Plans were not deemed to be fit for purpose in England and withdrawn.

## Policy SI8 Waste capacity and net waste self-sufficiency and Policy SI9 Safeguarded waste sites

These policies are about waste infrastructure and we do not believe that this will have a significant impact on house building and have no comments.

#### Policy SI10 Aggregates

We are supportive of policies that plan for adequate supplies of aggregate for development in London.

#### Policy SI11 Hydraulic fracturing (Fracking)

We note that the Mayor does not support fracking in London.

#### Policy SI12 Flood risk management

We are supportive of a high level of flood protection for London.

## Policy SI13 Sustainable drainage

It is unreasonable to unilaterally specify green-field run-off rates in London. Almost all residential development sites in London will be on previously developed land.

The biggest challenge with Sustainable Drainage is the long-term maintenance – for example permeable paving, ponds and swales will silt up, and periodically will require expensive maintenance for the lifetime of the development. This is strongly linked with adoption of Sustainable Drainage features which is often strongly resisted. Another general challenge is site layout efficiency – if more land is needed for Sustainable Drainage then to maintain land values there may need to be higher density development (e.g. more apartments) which would not work in every location. There are also

technique specific challenges - pervious pavements and soak-a-ways can damage foundations; any risk of drowning needs to be managed in ponds and swales; and stronger buildings are needed to hold up the weight of a green roof. Some Sustainable Drainage techniques are not appropriate in some circumstances e.g. soak-a-ways near structures or where there is a risk that contaminated land could add to groundwater pollution. We understand that government does not want property owners to pick up the additional costs of Sustainable Drainage which could challenge viability. Silt in ponds and swales may become contaminated for example by zinc from car tyres or hydrocarbons, and therefore may be difficult and costly to dispose of. In urban areas there may not be sufficient space to install much Sustainable Drainage.

Policy SI14 Waterways - strategic role

Policy SI15 Water transport

Policy SI16 Waterways – use and enjoyment

Policy SI17 Protecting London's waterways

We are supportive of the waterways policy's for London.

# Chapter 10 Transport

# Policy T1 & T2

The above Policies focus on achieving targets to reduce car usage and a rebalancing of the transport system.

To achieve this, we believe focus should not only be given to providing alternative modes of transport, but the cost to the customer to ensure it is affordable. This is vital to ensure communities have a viable alternative to using the car.

# Policy T6 & Table 10.3 Car Parking.

We do not support the proposed car parking standards and require a more flexible approach to the provision of car parking to serve residential development in all parts of London.

Regard must be given to the accessibility of the development, type, mix and use, availability of alternative modes of transport and local car ownership levels.

Reducing original car parking numbers where sites are redeveloped could present a barrier to schemes coming forward for redevelopment and a flexible approach should be adopted by Local Planning Authorities to ensure the regeneration of redundant or underused sites and the delivery of much needed housing.

The requirement to lease rather than sell car parking spaces within communal car parking facilities is overly prescriptive and should not apply in all circumstances.

# Policy T9 Funding transport infrastructure through planning

Part C states that Section 106 agreements including financial contributions will be sought to mitigate impacts from development, and may include the provision of new and improved public transport services, capacity and infrastructure, the expansion of the London-wide cycle networks and supporting infrastructure.

S106 contributions would be in addition to the MCIL plus the Local Planning Authority's CIL.

We are concerned that the cumulative burden of these charges together with the anticipated increase in development costs associated with the proposed policies e.g. (enhanced design, increased use of carbon reduction and energy efficient technologies, maximising the density of development, increased requirements for open space provision, incorporating green infrastructure within design and agent of change approach), together with the Mayors affordable housing requirement will impact on the viability of housing and mixed use schemes.

We remind the Mayor that Authorities must strike an appropriate balance between the desirability of funding infrastructure from the levy and the potential impact upon the economic viability of development across their area including the provision of affordable homes.

Furthermore, Para 173 of NPPF states "Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened."

Whilst not a matter for the London Plan, we also raise concern over the restriction placed on Council's ability to pool more than 5 obligations to fund a particular piece of infrastructure. This represents a significant constraint to the delivery of housing developments that commonly rely on improvements to off- site infrastructure such as highway projects, open space, and secondary education to support the proposals.

## Chapter 11 Funding the London Plan

# Policy DF1 Delivery of the Plan and Planning Obligations

We object to this policy given it represents a departure from NPPF Para 173 and 174.

The Policy seeks to dictate to local planning authorities weight to be afforded to different policy objectives set out within its plan – affordable housing being the main priority followed by public transport, health, then education.

This is a matter for the decision maker and cannot be imposed through the London Plan.

# Paragraph 173 of NPPF (2012) states:

"To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable."

If these conditions are not met, it will prove extremely difficult to deliver the plans annual housing targets and provide Londoners with the much needed housing that is required.

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 	Mark Skilbeck	UK Planning Director.