

1. The Berkeley Group welcomes the opportunity to comment on 'A City for all Londoners.' We deliver about 10% of new homes in London, including 10% of the affordable homes. We deliver more than just homes; we create fantastic places. Our developments are sustainable, mixed use, mixed tenure, include substantial public realm enjoyed by all the community and are designed to mitigate and adapt to climate change. We deliver a range of community facilities including schools, health centres, community rooms and transport infrastructure including the Crossrail station at the Royal Arsenal. We take a long term approach to placemaking; delivering places where people aspire to live, work and visit, and creating successful and sustainable communities. The principles of 'good growth' as articulated in this document are what Berkeley Group delivers across London.
2. We welcome the publication of this document, setting out the Mayor's priorities and policy intentions, and support the objectives, in particular the desire to increase housing delivery, to deliver healthy streets and neighbourhoods and to promote and encourage more mixed use development.
3. We agree that there is significant potential for outer London to contribute more to London's growth through housing delivery and commercial development, where there is demand. Town centres will be particularly important, offering sustainable, accessible and desirable locations for new homes. The Mayor is right that we need a greater acceptance of intensification to deliver the homes London needs, and this should be high quality and well-designed development.

Increasing housing delivery

4. Housing delivery is critical to meeting London's housing needs and is an important part of the London economy, but it is more than that. Residential development regenerates areas, delivering social, economic and environmental benefits. It creates and sustains communities. Development also contributes significantly to the public good through S106 benefits, CIL and affordable housing.
5. A key objective in the document is the desire to increase housing delivery, which is London's greatest challenge and critical to do. Over the last ten years an average of 24,500 homes have been delivered a year, below the housing target and less than half the level of need. In 2014/15 28,000 new homes were built; 67% of the target of 42,000 new homes, and less than half of housing need. The document alludes to a target of 50,000 new homes a year until 2041 which represents a substantial increase on what is being achieved and yet is still below the level of need outlined in the London Plan (62,000 homes).

6. We welcome the Mayor's desire to increase housing delivery but are concerned that, at the time that the Mayor is seeking to almost double housing delivery, he is also increasing the cost of development through increased affordable housing requirements and zero carbon development. We are also aware that the level of the Crossrail CIL is being reviewed and it could double. Development is being asked to support increased obligations at a time when the market is slowing.
7. Development is highly complex and is ultimately a process of prioritisation and trade-offs, reflecting the circumstances of the site and proposed development. This is often hard to understand for communities and it is therefore important that planning policy is realistic in what development can bear to remain viable and deliverable, and that policy requirements and obligations are set at a level which is cumulatively achievable.
8. We agree that small developers should be an important part of increasing housing delivery. Small sites should play an important role in housing supply, can be delivered quickly and make an important contribution to improving local areas. Policies that provide greater support for such developments will be an important part of increasing housing delivery.

Increasing the burden on development could slow development further

9. Whilst we support the Mayor's desire to increase affordable housing delivery in London, we are concerned that if this is not addressed sensitively it could lead to a reduction in overall housing delivery. This would mean that whilst the proportion of affordable homes might increase, the number of homes delivered will be lower than it might have been.
10. In 2014/15 a quarter of all the homes delivered were affordable, but this includes affordable homes from all sources including S106; the average percentage secured through S106 will be far lower.
11. In 2014/15 only twelve boroughs achieved more than 30% affordable housing delivery, and this is affordable housing from all sources, not just S106. Five boroughs achieved 35%. Only twenty boroughs achieved 5% or higher.
12. The high level of CIL in many boroughs is a key reason why affordable housing delivery remains lower than policy. If the priority is to increase affordable housing delivery, CIL rates will have to be reviewed and reduced.
13. We understand the Mayor's concerns that high land values are benefitting land owners at the expense of affordable housing delivery, but it takes time for planning requirements to feed through to the land market. The risk of introducing this approach now, with a slowing and falling market, and where most boroughs have adopted high CIL rates, is that developments become unviable and stall, and landowners will choose not to sell land to developers.

14. We would support a fixed affordable housing rate on the largest sites (100 homes plus) where the mix is fixed and the sites are exempt from CIL. We consider that 30% should be viable without CIL but with S106 contributions for infrastructure. This would ensure a mixed and balanced community which is able to support local services and facilities.
15. We would also suggest that the London Plan encourages boroughs to exempt the largest sites from CIL, to support viability and enable them to deliver necessary infrastructure. This might include sites in Opportunity and Intensification Areas and Housing Zones. This would support affordable housing delivery on these crucial sites as well as the timely delivery of infrastructure to support sustainable development and place creation.
16. The level of affordable housing delivery is complicated by how the affordable provision is made up with varying policy on tenure mix, size mix and affordability. 30% affordable housing can have very different financial impacts depending on its composition. In practice, boroughs may accept a lower overall number where they want more affordable rented homes of large sizes and at very affordable prices. We would urge the Mayor to provide guidance on this to ensure that the level sought is affordable and reflects borough needs. It may be that different proportions of affordable housing are sought according to how it is comprised.
17. As the Mayor has highlighted, GLA and TfL owned land will be an important source of public land on which the Mayor can secure affordable housing delivery. We would also suggest that the Mayor encourages other public land owners to prioritise affordable housing when tendering land.

Zero Carbon

18. We fully support the Mayor's ambitions for London to become a low carbon city. We think London should become a 'global green city', in which environmental goals are central to the capital's vision for economic and social development. That is how we will make this city more competitive and more liveable, with better public health and wellbeing.
19. Berkeley Group is committed to reducing our operational carbon emissions and contributing to reduced emissions through our developments. By May 2018, Berkeley Group will be the first major housebuilder in Britain to become carbon positive. We have also committed that all our developments will achieve a net biodiversity gain.
20. We are delivering 212 acres of public open space in London. This includes new parks at Stephenson Street, White City and Southall and new wetlands at Woodberry Down and Kidbrooke Village. Our developments deliver public realm for all to enjoy including new public squares in Wapping (London Dock), Ealing (Dickens Yard) and Kingston.

21. The first 18 sites delivered by St William, our joint venture with National Grid, will deliver 5 city parks and restore 201 acres of brownfield land, creating places that are more sociable and sustainable. Their approach to development is summarised in a new report that we published in October 2016, entitled 'First life, then spaces, then buildings'.
22. Our development sites are chosen for their access to public transport, to which we often contribute financially. We have built stations at Imperial Wharf in Fulham and Royal Arsenal in Woolwich.
23. Berkeley Group takes a 'fabric first' approach to building design, maximising efficiency and reducing emissions. The Berkeley Urban House which has been delivered at Kidbrooke Village achieves a 19% reduction in carbon emissions, and savings of up to 83% on gas and 30% on water. Two thirds of the homes we delivered in 2015/16 were supplied with green energy.
24. Whilst we share the Mayor's carbon reduction objectives, and are leading the way on both mitigation and climate change adaptation, Berkeley Group is concerned that the desire to ensure homes are zero rather than low carbon will add cost and complexity to planning applications and does not accord with national policy.
25. With the introduction of national technical standards, the Code for Sustainable Homes level 4 is enshrined in Building Regulations. When introducing national standards in March 2015 the Government stated that policy on carbon emissions is to be dealt with in Building Regulations rather than planning policy.
26. In July 2015, the then Secretary of State Greg Clark, in his letter on the Minor Alterations to the London Plan, highlighted that "energy performance standards for new homes should only be set in Building Regulations".
27. In July 2015, the Government also announced its intention to scrap zero carbon (Fixing the Foundations, page 46 bullet 5).
28. The Government's opposition to zero carbon was reiterated in the debate on the Housing and Planning Bill where it rejected a Lords' amendment to introduce zero carbon on the grounds of cost and viability and that there have already been significant recent increases in energy efficiency through Building Regulations.
29. Whilst the 2008 Planning and Energy Act currently allows local authorities to set differential standards through planning policy, this is due to be amended by section 43 of the 2015 Deregulation Act. In a Written Ministerial Statement of 25 March 2015, the then Secretary of State Eric Pickles, stated the Government's intention to implement section 43 by the end of 2016.

30. There is therefore clear stated Government policy that it does not support zero carbon and that energy performance should be addressed in Building Regulations rather than planning policy.
31. Introducing zero carbon in the London Plan would therefore be contrary to national policy and add significant cost and complexity to development at a time when the Mayor's stated priority is for affordable housing.

Air Quality Positive buildings

32. We agree that air quality is an important issue for the health of Londoners and the attractiveness of the city. We would like to understand more about the Mayor's proposal for 'air quality positive buildings' and what this means technically and financially.

Land Value Capture

33. We note that the Mayor wishes to ensure 'that the whole of London benefits from the uplift in land values from infrastructure.' Capturing the value could be an important source for investment in infrastructure and we look forward to further detail on this. Any proposals will need to balance the benefit captured with the need to ensure that sites are brought forward for development.

We would welcome the opportunity to discuss our response and the emerging London Plan.

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