THE LONDON MAYOR IS SERIOUS ABOUT ADDRESSING ISSUES OF HOUSING SUPPLY IN THE CAPITAL

The London Mayor Sadiq Khan has published a new and revised Draft of the London Plan. With the population of London projected to increase to 10.5 million by 2041, and the shortage and affordability of housing in the capital very much to the fore, there is clear focus on housing provision as a key element of delivering sustainable growth. A consultation on the draft proposals will run from 4th December 2017 until 2nd March 2018, during which time comments can be made on any aspect of the proposed plan.

Some of the notable policies include:

- A target for the provision of at least **65,000 homes per year** (up from just over 42,000), across London to meet the current demand. Over one third of these houses are identified to be built in 13 outer suburban boroughs. Barnet, Brent, Croydon and Ealing are the four outer-London Boroughs where the greatest number of dwellings will need to be provided.

- **Ten-year housing targets** are set for boroughs, encouraging the preparation of delivery-focused Development Plans; development of windfall sites; and enabling housing delivery within Opportunity Areas (Policy H1). The Boroughs of Barnet, Greenwich, Newham and Tower Hamlets will all need to provide in excess of 30,000 new homes between 2019 and 2029.

- Councils should re-evaluate land use designations in order to optimise the potential of land for housing, particularly where new sustainable infrastructure is planned to accommodate higher density residential and mixed-use developments (Policy H1).

- Boroughs are actively encouraged to produce brownfield site registers and utilise the concept of Permission in Principle introduced under the Housing and Planning Act 2016 (Policy H1).

- Subject to certain conditions being satisfied, there will be a presumption in favour of residential schemes providing up to 25 new homes where it is:
  - infill development or an underused site;
  - an increase in density of existing housing with a PTAL rating of 3-6 or within 800 metres of a station or defined town centre;
  - or the redevelopment or upward extension of flats and non-residential buildings (Policy H2).

- Boroughs are encouraged to identify small sites and grant permission in principle or local development orders where possible (Policy H2).

- A target of **50% of all new homes to be affordable**. There is an emphasis on the provision of affordable housing ‘on-site’ unless there are exceptional circumstances (Policy H5). There is a minimum threshold for affordable housing provision of 35% on privately-owned development sites providing 10 or more units, or a combined floor space of greater than 1,000sq.m (Policy H6).

- **Viability Testing** will be scrutinised to maximise the affordable housing provision and will be subject to Early, Mid-Term and Late-Stage reviews (Policy H6).

- The Mayor will support boroughs with identified issues of empty homes, where there are particular issues associated with the presence of ‘buy to leave’ properties, and seek to put in place mechanisms to ensure the housing stock is occupied (Policy H11).

- **Build to Rent** is supported as a development model and, subject to meeting criteria, the affordable housing requirement on a development can be solely Discounted Market Rent at a genuinely affordable rent.
The presumption in favour of small residential schemes in the most accessible locations offers the potential for landowners promoting residential development to revisit schemes which may have stalled, or where the Boroughs have up to now resisted higher density housing or mixed use development. The prospect of the ‘density guidelines’ that have become an established part of the London Plan being removed presents an opportunity to promote higher density development in a greater range of locations. If taken forward into the adopted London Plan, this less-prescriptive approach can only improve the prospects of obtaining planning permission for housing or housing-led schemes.

While the presumption in favour of small housing developments does not automatically mean that developers will be able to obtain permissions, (a range of restrictions remain, and the presumption does not apply where there would be unacceptable harm to residential amenity, designated heritage assets or safeguarded land), this would provide a mechanism within the Statutory Development Plan that makes it harder to resist the delivery of new housing. For smaller developers or those with land in the most accessible locations this represents a clear statement of intent on the part of the Mayor that they will support a drive to higher-density provision that maximises the potential of these sites.

It should be noted that while the publication of the Draft London Plan does have the potential to increase the housing supply across London, these are not expected to be formally adopted until the autumn of 2019. It does however provide a clear message to the London Boroughs that the Mayor is serious about addressing issues of housing supply in the capital by removing some of the obstacles to obtaining planning permission. It is clear that every area of the capital must play a part and that the rate of housing provision must be far greater than anything that has been delivered in recent years.

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