

CED015

# Local Plan Partial Review – Examination Matters, Issues and Questions Hearing Statement

Matter 3: Delivery Strategy  
Issue 3a: Diversity of Housing (Policies CP1 and  
CH1 – CH6)

February 2018



THE ROYAL BOROUGH OF  
KENSINGTON  
AND CHELSEA



## Matter 3 – Delivery Strategy

### Issue 3a: Diversity of Housing (Policies CP1 and CH1-CH6)

#### Housing Target (Policies CP1 and CH1)

1. **Has the RBKCLPPR been positively prepared and is it justified, effective, consistent with national policy and in general conformity with the London Plan in relation to its aim in Policies CP1 and CH1 to meet and exceed the London Plan target for new homes in the borough of a minimum of 733 net additional dwellings a year?**
  - 1.1 Policies CP1 and CH1 to meet and exceed the London Plan target of a minimum of 733 net additional dwellings per annum have been prepared in accordance with the 'tests of soundness' in the NPPF as set out below:

***Positively prepared – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;***
  - 1.2 As part of the evidence base for the LPPR, the Council produced a Strategic Housing Market Assessment (SHMA) (SUB49) which was published in December 2015 alongside the Issues and Options Consultation. The SHMA identifies the objectively assessed need (OAN) for housing for the Borough. The OAN is an assessment of the amount of additional housing stock required to cater for future household growth. Evidence set out in the Borough's 2015 SHMA identifies an objectively assessed need (OAN) of 11,291 dwellings over the period 2015-2035, or 575 dwellings per annum. These figures are based on the GLA's long-term migration household projections plus an allowance for vacant dwellings and second homes. This is the highest projection in relation to the other potential scenarios of household growth set out in the SHMA (based on the DCLG 2012 household projections and the GLA short term migration scenario) but is assessed as the most realistic for using the longer term migration trend data determined at London-level.
  - 1.3 The identified objectively assessed need at 575 dwellings per annum is substantially less than the London Plan housing target for the Borough of 733 dwellings per annum as set out in Policies CP1 and CH1.
  - 1.4 The Inspector's Initial Question 5 (IED001) posed the question of using the latest DCLG published 2014-based household projections published in July 2016. The Council was asked as part of this Initial Question to provide a comparison between the 2014 and 2012 based figures for the Royal Borough and advise what, if any, implications there may be for the assessment of OAN in Kensington and Chelsea.
  - 1.5 In response to the Inspector's Initial Question 5, the Council provided OAN

calculations (CED001) using not just the DCLG 2014- based household<sup>1</sup> projections but also the GLA's 'Interim 2015-based population projections' released in February 2017. The GLA's household projections use the 2014 DCLG household projection model to convert projected population into households. This was to demonstrate what an updated Table 6.10 of the Council's SHMA, December 2015 (SUB49) would look like using these projections. The Council's response emphasised that the London Plan uses the Central Projection and of the variants provided, this is the one that is the most appropriate to use.

1.6 The calculations are presented below for ease of reference:

	GLA long-term migration scenario 2015 interim		GLA short-term migration scenario 2015 interim		GLA central scenario 2015 interim		DCLG 2014-based		Average	
	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum
Homeless	224	11	224	11	224	11	224	11	224	11
Concealed	562	28	562	28	562	28	562	28	562	28
Net new households	13,131	657	9,970	499	9,444	472	6,170	309	9,679	484
Allowance for vacancies (2.6%)	341	17	259	13	246	12	160	8	252	13
Allowance for second homes (5%)	657	33	499	25	472	24	309	15	484	24
<b>Total</b>	<b>14,915</b>	<b>746</b>	<b>11,514</b>	<b>576</b>	<b>10,948</b>	<b>547</b>	<b>7,425</b>	<b>371</b>	<b>11,200</b>	<b>560</b>

**Table 1 of Q 1: Updated Table 6.10 of the Council's SHMA, December 2015 (SUB49) using GLA's 'Interim 2015-based household projections' and DCLG 2014-based household projections**

1.7 The above calculations were provided in June 2017. However, the DCLG 2014- based household projections continue to remain the latest projections. The Mayor of London has produced a Draft London Plan for consultation from 1 December 2017 to 2 March 2018. A 2017 London SHMA has been produced as part of the evidence base for the Draft London Plan. The SHMA uses the GLA's 2016-based household projections<sup>2</sup> which supersede the 2015-interim projections used in the table above. As before the GLA has produced *“three population projections based on different migration scenarios. The methodology is the same in each case with the only difference being the period of past migration data used to determine the migration patterns projected forward. These projections are designated as the short, central, and long-term projections and are based on five, ten, and fifteen years of past migration data respectively.”* (paragraph 3.51 of 2017 London SHMA)

1.8 Paragraph 3.52 of the 2017 London SHMA further explains that **“The central projection is the principal projection used for the SHMA with short- and long term projections acting as variants for sensitivity testing.** A ten-year period of past migration data has been chosen for the

<sup>1</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>

<sup>2</sup> <https://data.london.gov.uk/dataset/projections/>

*central projection as it approximately spans a typical economic cycle and has the benefit of producing more stable results from year to year than projections based on more recent trends only, making it more suitable for strategic planning purposes.<sup>3</sup> (emphasis added)*

- 1.9 An update of the calculations has been provided and once again it is the Central projection that would be the most reliable and justified approach of the three GLA variants, being the principal variant used in the 2017 London SHMA. The central projections show an OAN for the Borough of 573 dwellings per annum which is very similar to the 575 dwellings per annum in the Borough SHMA 2015 (SUB49).

	GLA long-term migration scenario 2016		GLA short-term migration scenario 2016		GLA central scenario 2016		DCLG 2014-based		Average	
	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum	2015-35	Per annum
Homeless	224	11	224	11	224	11	224	11	224	11
Concealed	562	28	562	28	562	28	562	28	562	28
Net new households	12,465	623	10,692	535	9,918	496	6,170	309	9,811	491
Allowance for vacancies (2.6%)	324	16	278	14	258	13	160	8	255	13
Allowance for second homes (5%)	623	31	535	27	496	25	309	15	491	25
<b>Total</b>	<b>14,198</b>	<b>710</b>	<b>12,291</b>	<b>615</b>	<b>11,458</b>	<b>573</b>	<b>7,425</b>	<b>371</b>	<b>11,343</b>	<b>567</b>

**Table 2 of Q 1: Updated Table 6.10 of the Council's SHMA, December 2015 (SUB49) using GLA's '2016-based household projections' and DCLG 2014-based household projections**

- 1.10 It should be noted that the 2017 London SHMA is subject to consultation and identifies the housing need across London. Linked to the identification of housing need, the housing targets for London boroughs are identified through the Strategic Housing Land Availability Assessment (SHLAA) 2017 process based on capacity and a new methodology for small sites. The SHLAA shows a reduced housing target for the Borough of 488 dwellings per annum.
- 1.11 In addition to the publication of the Draft London Plan, the Government consulted on further measures set out the Housing White Paper. The consultation titled 'Planning for the Right Homes at the Right Places'<sup>4</sup> (14 September to 9 November 2017) proposes a standard methodology to calculate the OAN for housing. The Government published figures using this methodology for each local authority and the figure for this Borough is 824 dwellings. However, since this is a Government consultation with the

<sup>3</sup> The relative volatility of projections based on different length migration trends was explored in Appendix A of the GLA 2014 round trend-based methodology report <https://files.datapress.com/london/dataset/2014-roundpopulation-projections/2015-10-09T09:02:51/update-04-2015-2014rnd-trend-proj-methodology.pdf>

<sup>4</sup> <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

outcome not yet published it is too early to use this methodology.

- 1.12 In addition, in the consultation document the Government sets out transitional measures for the use of the proposed standard OAN methodology (Table 1 and paragraph 55 of the consultation document). **This sets out that where a Local Plan is at examination stage, it should continue to be examined and rely on evidence prepared using the current method.**
- 1.13 Paragraphs 31 and 32 of the consultation document are of particular interest as they outline a different approach for London. Paragraph 30 states that “...*strategic plans prepared by the Mayor of London and other elected Mayors (for combined authorities where they have the function of preparing a spatial development strategy for the area), **will use the proposed approach to produce a single assessment of the housing need for the area as a whole.**” Paragraph 31 further states that “*In such cases we propose that the housing need for the defined area should be the sum of the local housing need for each local planning authority. **It will be for the relevant planning authorities or elected Mayor to distribute this total housing need figure across the plan area.**” Therefore, the consultation makes it clear that the apportionment of housing need across London will be done by the Mayor. This approach is expected to continue in London linked to the Strategic Housing Land Availability Assessment (SHLAA) undertaken by the Mayor and based on individual borough housing capacity.**
- 1.14 In relation to meeting unmet requirements from neighbouring authorities, the Council has engaged with adjoining authorities throughout the process. It is recognised that the approach to housing supply in London is taken on a London-wide basis. Paragraphs 2.6.1 to 2.6.3 and Figure 8 of the submitted document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017 provide further detail.
- 1.15 The view taken in the Government consultation referred to in paragraph 1.1.13 is the same as that put forward by the Planning Inspector for the Further Alterations to the London Plan (FALP). The Inspector concluded in his report (paragraph 22) that “*I acknowledge that the NPPF requires each local planning authority to identify its own objectively assessed housing need. However, **in my view, it is the role of the spatial development strategy to determine the overall level of need for London and to guide the distribution of new housing to meet that need.** The Mayor points to the acceptance by previous EiP Panels that London constitutes a single housing market area with sub markets which span Borough boundaries. The Mayor also points to the findings of the High Court<sup>5</sup>, following a challenge to the Revised Early Minor Alterations to the London Plan, within which in his (undisputed) opinion, the Court accepted that although local variations exist, this did not compromise the view that London constitutes a single housing market area<sup>6</sup>. and paragraph 23*

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<sup>5</sup> FA/BD/99

<sup>6</sup> 01/Session 2, paragraphs 2b3

**“Other than some fine tuning regarding local need relating to the size and type of property and tenure, there is no need, in my view, for each London Borough to duplicate the work done by the GLA and produce their own individual assessment of overall need. IRC1 recommends that the FALP is changed to reflect this approach by removing references to London Boroughs needing to identify objectively assessed need with regard to the quantum of new housing in their areas.” (emphasis added)**

***Justified – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;***

1.16 Alternative options were consulted on as part of the Issues and Options (December 2015) and Draft Policies (October 2016) consultation documents. The Consultation Schedules and Consultation Summaries for these are set out in the Consultation Statement published alongside the Publication Policies (January 2017) consultation document and as part of the Submission (May 2017) documents (SUB7 and SUB8). The options considered through the consultations and as part of the Integrated Impact Assessment (IIA) are summarised below. A detailed rationale for Policy CH1 is set out in the submitted document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017.

1.17 The options and alternatives considered are:

Option	Status	Reason
1 Meet and exceed the borough’s housing target	Preferred option for Publication Policies with Proposed Modifications	The housing target is allocated through the London Plan. It is based in the London SHLAA 2013. The Local Plan has to be in conformity with the London Plan.
2 The capacity for the Borough to accommodate new housing development while maintaining its historic environment should be a key consideration.	Part of the preferred option for Publication Policies with Proposed Modifications	The housing target is allocated through the London Plan. The site capacities are based on consideration of character and context. The Council has detailed policies on conservation and design which apply to any new development.

Option	Status	Reason
3 Have a lower target - Attempts to meet the Borough's housing target could lead to excessive over-development. Any attempt to meet unrealistic "targets" would be a disaster.	Not a reasonable alternative	The housing target is allocated through the London Plan and has emerged through the Strategic Housing Land Availability Assessment 2013. Issues around sustainable development in-line with the national policy are considered in the London Plan while setting the target. Aiming for less than the target would not comply with national or London Plan policy.

***Effective – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities;***

- 1.18 The Council's housing trajectory demonstrates a five year housing supply as required by the NPPF (paragraph 47). The housing supply requirement from 1 April 2017 to 31 March 2022 is 4,398 dwellings. This is made up of five years of the Borough's annual supply target of 733 new homes, plus a 20% buffer brought forward from later in the plan period as required in the NPPF where there has been a record of persistent under-delivery against the Borough's target. The current supply of deliverable sites during this period is expected to be 4,410 dwellings.
- 1.19 Paragraph 1.1.1 of the Partial Review (SUB5) confirms that the Plan period is up to 2028. The Council has also demonstrated a small surplus of housing supply in years 6 to 10 (1 April 2022 to 31 March 2027). For years 6-10 the housing supply is 3,308 units against a target of 3,300 units showing a surplus of 8 units.
- 1.20 In relation to effective joint working, the approach to housing supply in London is taken on a London-wide basis. This is endorsed by the Government in its consultations and by the Inspector for FALP as set out in paragraphs 1.1.13 to 1.1.15 above.
- 1.21 Therefore, LPPR Policies CP1 and CH1 are considered deliverable over the plan period. Further information on housing supply including the Borough's housing trajectory is presented in the submitted document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017. Further details about housing delivery are also set out in response to questions 2 to 4 below.



***Consistent with national policy – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.***

- 1.22 The National Planning Policy Framework (NPPF) provides the overarching guidance in preparing Local Plans. Paragraph 151 states that *“Local Plans must be prepared with the objective of contributing to the achievement of sustainable development. To this end, they should be consistent with the principles and policies set out in this Framework, including the presumption in favour of sustainable development.”* Sustainable development is indeed the golden thread running through the NPPF.
- 1.23 Section 6 of the NPPF deals particularly with delivering a wide choice of high quality homes and paragraph 47 of the NPPF aims to *“boost significantly the supply of housing’ by requiring Councils to meet the ‘full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this framework including identifying key sites which are critical to the delivery of the housing strategy over the plan period;”*
- 1.24 As set out in paragraphs 1.1.17-1.1.19 and the response to questions 2 to 4 below, Policies CP1 and CH1 are consistent with national policy. Paragraphs 47, 48, 49 and 159 of the NPPF are particularly relevant to the issue of housing supply and needs. In accordance with these paragraphs the Council has undertaken a SHMA using the methodology set out in the National Planning Practice Guidance (NPPG) on Housing and Economic Development Needs Assessment. The Council has also identified housing supply over the plan period in accordance with the NPPG on Housing and Economic Land Availability Assessment.

## **Housing Supply (Policy CP1)**

- 2. In the light of the suspension of estate regeneration schemes put forward in the Further Proposed Modifications (CED004), is there an adequate supply of housing to meet the housing requirement identified in Policies CP1 and CH1 over the Plan period? If not, is this consistent with national policy and the London Plan and what steps are proposed to ensure the borough can effectively meet the London Plan target over the Plan period?**
- 2.1 The details of the Council’s housing supply are set out in the core document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017 paragraphs 2.3.18 to 2.3.35 and Appendix 1. Paragraph 1.1.1 of the Partial Review (SUB5) confirms that the Plan period is up to 2028. To demonstrate housing targets will be met, the NPPF (paragraph 47) requires Local Plans to:

- “identify and update annually a supply of specific deliverable<sup>7</sup> sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;
  - identify a supply of specific, developable<sup>8</sup> sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15;” (emphasis added)
- 2.2 The NPPG on Housing and Economic Land Availability Assessment (paragraph 27) provides further guidance on housing land supply for years 11 to 15 and states that *"As set out in the NPPF, local planning authorities should identify a supply of specific, developable sites or broad locations for growth, where possible, for years 11-15. Local Plans can pass the test of soundness where local planning authorities have not been able to identify sites or broad locations for growth in years 11-15".* (emphasis added)
- 2.3 The Council has identified a deliverable five year housing supply. The housing supply requirement from 1 April 2017 to 31 March 2022 is 4,398 dwellings. This is made up of five years of the Borough’s annual supply target of 733 new homes, plus a 20% buffer brought forward from later in the plan period as required in the NPPF where there has been a record of persistent under-delivery against the Borough’s target. The annualised five year target figure with the 20% buffer is 880 dwellings per annum. The current supply of deliverable sites during this period is expected to be 4,410 dwellings based on those sites assessed as deliverable in the housing trajectory giving a surplus of 12 dwellings.
- 2.4 For years 6-10 (1 April 2022 to 31 March 2027) the housing supply is 3,308 units against a target of 3,300 units showing a surplus of 8 units. On average, over the first 10 years, the Borough has sufficient capacity to meet its housing target with 7,718 units identified.
- 2.5 The housing supply to the end of the Plan period i.e. 2028 using 31 March 2029 as a proxy would be 8,979 units against a target of 9,019 units showing a shortfall of 40 units. However, the small shortfall is considered consistent with national policy as it is being calculated

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<sup>7</sup> To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.

<sup>8</sup> To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.

slightly beyond the end of the Plan period.

- 2.6 Further, the requirements as set out in national policy is to demonstrate a 5 year deliverable and years 6 to 10 developable supply. For years 6-10 the requirement is to “*identify a supply of specific, developable sites or broad locations for growth...*”. This has been demonstrated in the housing trajectory as set out in Chapter 40 of the LPPR and (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017.
- 2.7 The NPPF is quite clear that the supply for years 11 to 15 can be shown “**where possible**” (paragraph 2.1 above). The NPPG further clarifies that **Local Plans can pass the test of soundness where local planning authorities have not been able to identify sites or broad locations for growth in years 11-15** (paragraph 2.2 above).
- 2.8 For years 11 to 15 the housing supply that can be demonstrated is 2,993 units against a target of 3,296 units showing a deficit of 363 units. The Council’s housing target over 15 years is 10,995 dwellings and the Council has identified a supply for 10,651 dwellings over the same period giving a deficit of 344 dwellings over 15 years. Appendix 1 of the submitted document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017 shows the details.
- 2.9 Whilst the housing supply over 15 years shows a shortfall in years 11 to 15, the supply shown is in-line with the requirements of the NPPF set out in the paragraphs above. The Borough has committed to an early review of the Local Plan. This is particularly relevant given the special circumstances in the Borough regarding the post-Submission withdrawal of estate regeneration sites. It is considered that the housing supply shown is justified, effective and consistent with national policy.
- 2.10 The Council has received a letter of general conformity (CED007) from the Mayor of London on the Further Proposed Modifications (CED004). Comments are provided on housing in particular and are replicated below for ease of reference:

*“The bulk of the modifications relate to the Council’s decision to suspend estate regeneration projects and the need to delete the related policies, text and sites from the review. **The Mayor is sympathetic to this decision, and considers that, subject to an early review, the proposed modifications (and resulting Local Plan) would be in conformity with the London Plan.***

*The suspension of the estate regeneration projects, and the rolling forward of the housing trajectory by a year result in Kensington and Chelsea’s housing trajectory reducing from 11,694 units for the period 2016/17 to 2030/31 (780 units pa) to 10,651 units for the period 2017/18 to 2031/32 (710 units pa). The revised figure falls short by 344 units of Kensington and Chelsea’s annual average housing supply monitoring target of 733 units pa as set out in Table 3.1 of the London Plan (10,995 units over the Plan period).*

**However, in line with the NPPF, the proposed modifications identify sites that will deliver a sufficient supply of housing (882 homes pa) over the first five years in order to meet the borough's housing requirements, including a 20% buffer. On average, over the first 10 years, the borough has sufficient capacity to meet its housing target with 7,718 units identified.**

*It is the latter years (11-15) where the borough is aiming to find additional capacity. Kensington and Chelsea has identified a capacity of 2,933 units for years 11-15. In this regard, Kensington and Chelsea has committed to an early review (within five years of the adoption of this Local Plan). The borough has also been inputting into the London SHLAA and will have a revised housing target published in the new draft London Plan later this year, based on this process.” (emphasis added)*

2.11 It is worth noting that the Draft London Plan has now been published and the revised housing target for the Borough is proposed to be 488 dwellings per annum.

**3. Does the RBKCLPPR, as amended by the Further Proposed Modifications, demonstrate a robust 5 year supply of deliverable housing sites allowing for a suitable buffer to address past under delivery?**

3.1 The Council has followed the methodology used by London authorities to calculate its five year housing supply and the housing trajectory covering a longer time period. The basis of the methodology stems from the London wide Strategic Housing Land Availability Assessment (SHLAA) 2013 which was the key document setting the housing target of 733 dwellings per annum for the Borough.

3.2 The methodology for calculating the five year housing supply and the housing trajectory is set out in the document (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017.

3.3 The Borough's housing target of 300 units per annum rising to 600 as set out in Policy CH1 of the Local Plan has been superseded by the Further Alterations to the London Plan (2015) which have raised the Borough's target to 733. This target is above the objectively assessed need for housing identified by the Borough's SHMA of 575 new homes each year.

3.4 The London Plan target of 733 units per annum is for ten years between 2015 and 2025 and has been rolled forward<sup>9</sup> to 15 years resulting in an overall target of 10,995 units. This is in compliance with Policy 3.3D of the London Plan 2016.

3.5 The NPPF requires authorities to identify and update annually a supply of specific deliverable sites to provide five years' worth of housing

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<sup>9</sup> Policy 3.3D Increasing Housing Supply, London Plan 2016 (as amended)

against their housing requirements with an additional buffer of 20% (brought forward from later in the plan period) where there is persistent evidence of under delivery against the plan target as is the case in the Borough. To be considered deliverable sites should be:

1. Available now;
  2. Offer a suitable location for development now;
  3. Be achievable with a realistic prospect that housing will be delivered on the site within five years;
  4. Sites with planning permission should be considered deliverable until permission expires.
- 3.6 The sites that make up the land supply for each year consist of the following components:

1. Units under construction (at 1 April 2017) not expected to complete within the current monitoring year. Assumptions were made that schemes of between 1 and 24 units would be complete within two financial years of the start date. On sites of 25 units or more, the best available information has been used to estimate completions. As development is actively occurring on these sites, they are considered to meet the tests of availability, suitability and deliverability set out in the NPPF.
2. Units on sites with planning permission but not yet under construction. Assumptions were made that schemes of between 1 and 24 units would complete in three financial years from 01/04/2017 and are therefore all included as completions within FY2018/19 and 2019/20. On sites of 25 units or more the best available information has been used to estimate the timing of completions.
3. A small sites estimate was used to inform the land supply for the years 2020/21 and 2021/22. The figure of 152 pa has been taken from the London SHLAA 2013.
4. An estimate of vacant homes brought back into use of 46 units per annum also taken from the SHLAA is included for every year from 2017/18 (also identified in Annex 4 of the London Plan).
5. The non-self-contained allowance for the Borough is 0 units per annum (London SHLAA 2013) so does not contribute to projections for this period, or to projections in the second or third five year periods.

### **Five Year Housing Land Supply (2017/18 to 2021/22)**

- 3.7 The housing supply requirement from 1 April 2017 to 31 March 2022 is 4,398 dwellings. This is made up of five years of the Borough's annual supply target of 733 new homes, plus a 20% buffer brought forward from later in the plan period as required in the NPPF where there has been a record of persistent under-delivery against the Borough's target. The

annualised five year target figure with the 20% buffer is 880 dwellings per annum. The current supply of deliverable sites during this period is expected to be 4,410 dwellings based on those sites assessed as deliverable in the housing trajectory giving a surplus of 12 dwellings. This information is provided in the tables below. Detailed breakdown of the five year supply is included in Appendix 1 of (SUB43.1) – Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017.

Year	Projected Completions	Small Sites Estimate	Vacant Units	Total
2017-18	461	0	46	507
2018-19	389	0	46	435
2019-20	1,083	0	46	1,129
2020-21	1,003	152	46	1,201
2021-22	940	152	46	1,138
Total	3,876	304	230	4,410

**Table 1 of Q 3: Sources of Five Year Housing Supply**

Estimated Year of Completion	Site Allocations and Large Sites (25 units or more) (includes allocations in St Quintin and Woodlands Neighbourhood Plan)	Small Sites (less than or equal to 24 units) with Planning Permission	Small Sites Estimate (from SHLAA 2013)	Vacant Units coming back to use (from SHLAA 2013)	Total from all Sources
FY 2017-18	257	204	0	46	507
FY 2018-19	290	99	0	46	435
FY 2019-20	973	110	0	46	1,129
FY 2020-21	1,003	0	152	46	1,201
FY 2021-22	940	0	152	46	1,138
Total	3,463	413	304	230	4,410

**Table 2 of Q 3: Sources of Five Year Housing Supply**

3.8 In terms of the small sites estimate element of the five year supply. The NPPF Paragraph 48 states that “*Local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available*”

*in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.”* The small sites component as stated in paragraph 3.7 (4) above comes from the London SHLAA 2013 which has been examined and debated in detail as part of the Further Alterations to the London Plan examination.

- 3.9 The issue of windfall is also set out in the London Plan 2016 paragraph 3.19A which states that *“In compiling their 5 year supply estimates boroughs should demonstrate that they have maximised the number of identified sites. However, given London’s reliance on recycled land currently in other uses, it must be recognised that in addressing this national policy objective, capacity which elsewhere in the country would be termed ‘windfall’ must here form part of the 5 year supply.”*
- 3.10 Further details about the robustness of site allocations and large sites that comprise the five year supply are presented in response to question 4 below.
- 3.11 Whilst the Draft London Plan target is currently being consulted on, with adoption of the London Plan expected in 2019, it is worth noting that the five year target with the new figure of 488 dwellings would be 2,440 dwellings. With a 20% buffer, this would be 2,928 dwellings. This is below projected completions figure from known sites. The London SHLAA 2017 published alongside the Draft London Plan assumes that 169 dwellings per annum in the Borough would be delivered from small sites.

**4. What evidence is there to demonstrate that the sites listed in the housing trajectory in chapter 40 of the RBKCLPPR and in Appendix 1 to core document SUB43.1 are capable of delivering the required number of units between 2017/18 and 2021/22?**

4.1 The NPPF (paragraph 47) requires Local Plans to “identify and update annually a supply of specific deliverable<sup>10</sup> sites sufficient to provide five years worth of housing against their housing requirements....” A further column has been added to the table in Appendix 1 of core document SUB43.1 below to explain how the sites comprising the first five year’s housing delivery are considered ‘deliverable’ as defined in the NPPF. In short most of the sites identified have planning permission with a large majority being implemented on-site.

**Table 1 of Q4: Delivery of Sites in the First Five Years**

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
	Site Allocation	Not relevant as not included in the first five years	Kensal Canalside	Kensal Canalside	0	0	0	0	0
PP/14/01242	Site Allocation	Site has planning permission and is being implemented on-site.	Wornington Green Estate Phase 2	Wornington Road	0	60	60	0	0
PP/14/01242	Site Allocation	Site has planning permission and is being implemented on-site.	Wornington Green Estate Phase 3-5	Wornington Road	0	0	0	61	100

<sup>10</sup> To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.



<b>Borough Reference</b>	<b>Status</b>	<b>Deliverable</b>	<b>Site Name/Number</b>	<b>Primary Street Name</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
	Site Allocation	Site is owned by the Council with plans to deliver the site within the timescales outlined. The Council's Leader made a commitment to build or purchase a further 300 social housing units in her speech of 19 July 2017 following the tragic fire at Grenfell Tower as set out in core document CED002. This site does not require any decants/ demolition but due consultation will be undertaken as committed by the Leader.	Land adjacent to Trellick Tower		0	0	40	40	
PP/11/01937	Site Allocation	Site has planning permission and is being implemented on-site. Works have progressed on the	Earls Court Exhibition Centre And Land Bounded By	Warwick Road	0	0	100	100	50

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
		RBKC part of the site to demolish the former Exhibition Centres and remove the 61 portal beams situated over the London Underground Lines. This enabling work has taken some considerable time as it entailed the use of a special heavy lifting crane and dispensation from London Underground for night time working.							
PP/13/07062	Site Allocation	Site has planning permission and is being implemented on-site. Works have progressed on the RBKC part of the site to demolish the former Exhibition Centres and remove the 61 portal beams	Earls Court Exhibition Centre (Parcels Wv04 And Wv06)	Warwick Road	0	0	115	115	100

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
		situated over the London Underground Lines. This enabling work has taken some considerable time as it entailed the use of a special heavy lifting crane and dispensation from London Underground for night time working.							
PP/14/01234	Site Allocation	Site has planning permission and is being implemented on site.	245 (Former Territorial Army)	Warwick Road	0	0	0	95	90
PP/12/05112	Site Allocation	Site has planning permission and is completed within the FY 2017/18.	213-215 (Former Telephone Exchange)	Warwick Road	163	0	0	0	0
PP/10/02817	Site Allocation	Site has planning permission and is being implemented on site.	Homebase Site, 195	Warwick Road	0	0	135	130	110
APP/K5600/W/16/	Site Allocation	Site has planning permission and the	100/100A Cromwell Road	Cromwell Road	0	0	150	150	150

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
3146132	(100A – Proposed Site Allocation)	appeal Inspector accepted that a start has been made towards implementation.							
PP/02/01324	Site Allocation	Site has planning permission and is being implemented on site.	Lots Road Power Station	Lots Road	0	100	100	100	120
	Proposed Site Allocation	Site is owned by the Council and is planned to provide replacement for closure of the Council owned Thamesbrook site. There is political commitment to deliver the scheme within the timescales outlined.	Site at Lots Road (Extra Care replacement scheme)	Lots Road	0	0	0	0	60
PP/16/01795	Large Site	Site benefits from planning permission and works are expected to start in the near future.	Clearings 1 & 2	Draycott Avenue	0	0	30	48	0

<b>Borough Reference</b>	<b>Status</b>	<b>Deliverable</b>	<b>Site Name/Number</b>	<b>Primary Street Name</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
PP/12/02862	Large Site	Site has planning permission and is being implemented on site nearing completion.	East And North West Part Of Site, Middle Row Primary School	Middle Row	41	0	0	0	0
PP/13/04726	Large Site	Site has planning permission and is being implemented on site nearing completion.	Multi-Storey Car Park (Npc), 19-27	Young Street	53	0	0	0	0
PP/13/05341	Large Site	Site has planning permission and is being implemented on site.	2-18	Lancer Square	0	24	24	0	0
PP/15/02618	Large Site	Site has planning permission and is expected to start in the near future.	257-265 (Odeon Cinema)	Kensington High Street	0	0	0	62	0
PP/15/04338	Large Site	Site has planning permission and implementation has started with demolition works. Further works are expected to start shortly.	196 To 222	King's Road and 7 Friese Green House Chelsea Manor Street	0	19	20	0	0
PP/15/05730	Large Site	Site has planning permission.	66-70 And 72-74 (Book Warehouse)	Notting Hill Gate	0	4	5	0	0

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
		Construction is expected to commence in the near future.							
PP/15/08143	Large Site	Site has planning permission.	11 - 13 And 15	Collingham Place	0	0	26	0	0
PP/15/01154	Large Site	Site has planning permission.	4	Glendower Place	0	0	24	0	0
PP/16/00423	Large Site	Site has planning permission and is being implemented on site.	K1 Site bounded by	Brompton Road, Sloane Street, Basil Street and Hoopers Court, London SW3	0	24	0	0	0
PP/16/02357	Large Site	Site has planning permission and is expected to start in the near future.	Car Park, 20-28	Pavilion Road	0	34	0	0	0
PP/16/02150	Large Site	Site has planning permission and is being implemented on site.	326	Kensal Road	0	25	0	0	0
PP/16/03878	Large Site	Site has planning permission.	60	Sloane Avenue	0	0	23	24	0
PP/15/07602	Large Site	A revised scheme has been submitted.	Newcombe House		0	0	46	0	0

Borough Reference	Status	Deliverable	Site Name/Number	Primary Street Name	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
		Previous permission was refused at planning inquiry mainly due to a shortfall in affordable housing provision. This aspect has been readdressed as part of the revised scheme.							
	Large Site	Site has planning permission and is being implemented on site.	Thamesbrook Extra Care Scheme		0	0	30	25	0
	Large Site	Permission has recently been granted for South Kensington Underground station refurbishment. The residential units are expected as part of wider improvement around the station.	South Kensington Underground Station	Pelham Street	0	0	0	0	10
	Site Allocation		St Quintin Garage	142A Highlever Road	0	0	0	0	10

<b>Borough Reference</b>	<b>Status</b>	<b>Deliverable</b>	<b>Site Name/Number</b>	<b>Primary Street Name</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
	Site Allocation		1 to 14	Latimer Road	0	0	37	38	0
PP/15/08132	Site Allocation	Site has planning permission.	3 to 5	Crowthorne Road	0	0	8	0	0
			Chelsea Police Station	Lucan Place	0	0	0	15	0
		A planning application is expected in the near future.	Heythrop College	Kensington Square	0	0	0	0	140
					257	290	973	1,003	940
<b>Total</b>					<b>3,463</b>				



## Amalgamations and Very Large Units (Policy CH1)

- 5. Is the policy on amalgamations and restricting very large units set out in criteria b, c and d of Policy CH1 justified in Kensington and Chelsea? Is it in conformity with the London Plan and consistent with national policy?**

### Amalgamations

- 5.1 As set out in response to Questions 1 to 4 above, the Council has a current housing target of 733 dwellings per annum. Given the character of the Borough, this is a challenging target. The Borough is highly constrained being the smallest London borough. It is extremely densely built up with the household density in the Borough at 6,478 households per sq km compared to an average of 155 households per sq km in England and Wales. It has the second highest population density (13,086 residents per sq km) (Table QS102EW Census 2011) in England and Wales. It also has a unique historic environment with nearly three quarters of the Borough within designated conservation areas and 4,000 listed buildings. As a result, the Borough only has a limited capacity to deliver housing.
- 5.2 The housing target of 733 dwellings per annum is essentially made of three components – (1) sites which were identified through the SHLAA 2013 (SUB50) process and which were at least 0.25 hectares (2) an assumption in the SHLAA 2013 that a certain number of units will be delivered each year from small sites. Based on completions data from 2004 to 2012 a figure of 152 dwelling per annum was included in the SHLAA 2013, and (3) an assumption that 46 vacant units will return to use per annum.
- 5.3 The Council has demonstrated a five year housing supply with a small surplus of 12 units. The five year supply includes a 20% buffer over the target in the first five years which is brought forward from later in the plan period. The delivery of housing is offset by losses and the Council's completions have fallen below the housing target in a number of years as set out in Table 1 of Q5 below. This situation has been exacerbated by increasingly ambitious housing targets imposed on the Borough through the London Plan. The Royal Borough's requirement has increased from a target of 350 units in 2010; to 600 units between 2011 and 2014; and a current target of 733 units a year.

	10/11	11/12	12/13	13/14	14/15	15/16	16/17	Total
<b>Housing Supply Target</b>	350	600	600	600	600	733	733	<b>4,216</b>
<b>Net residential completions</b>	175	102	65	264	982	341	190	<b>2,119</b>
<b>New residential approvals</b>	783	860	244	1292	1303	252	459	<b>5,193</b>

**Table 1 of Q 5: Net residential approvals and completions 2010/11 – 2016/17 (source: AMR 2017)**

- 5.4 The London SHLAA 2013 considered small sites to be those falling below 0.25 ha. The approach in the SHLAA 2013 towards assessing future housing yield from small sites is based “*on extrapolating historic trends drawing on data from the London Development Database (LDD) on housing completions from 2004/05-2011/12 forward. The time series of 2004-2012 provides a robust basis for such a trend as it covers a full market cycle, providing a realistic average for the plan period. The sources of supply from small sites includes change of use, new build, and conversion, thereby reflecting trends such as conversions of houses into flats and infill development.*” (paragraph 2.69 London SHLAA 2013)
- 5.5 In the above context, it should be noted that prior to August 2014 this Council did not consider amalgamations of up to five units to be ‘development’ as defined in S55 of the Town and Country Planning Act 1990 (as amended). However, due to the scale of losses through amalgamations and based on a legal opinion by Timothy Straker QC, since August 2014 the Council has taken the view that all amalgamations are a form of development which requires planning permission. In essence Timothy Straker’s opinion states that if the loss of units associated with the amalgamation had ‘important planning considerations and effects’ it should be considered to be a ‘material change of use’ – and consequently that planning permission will be required. The change in approach to the requirement for planning permission was therefore not a change in planning policy, but a response to the increased significance of losing existing housing within the context of the adopted development plan policies.
- 5.6 The significance of the above is that the small sites element of the London SHLAA 2013 did not take account of losses through amalgamations as these would not have been reflected in the planning development pipeline. In other words, the target assumes there are no losses through amalgamations.
- 5.7 The Council has collated evidence to demonstrate the impact of amalgamations on achieving the Borough’s housing supply targets (Table 2 of Q 5). Quantifying the total loss of units that has occurred through amalgamations prior to August 2014 is difficult given that in this time the Council took the view that planning permission was not required. However, lawful development certificates within the period have been used as an

indicator subject to the caveat that as there is no compulsion to submit a certificate this does not give the whole picture. Further evidence for the 2014/15 financial year has also been sourced from Council tax records which indicate a further 93 units were lost through amalgamations. This is a definite source showing losses and corroborates the scale of losses indicated by the large numbers of certificates issued in previous years. For the year 2015/16 amalgamations form part of the regular monitoring of residential completions (as the Council considers they need planning permission). There were 40 planning permissions completed for schemes that resulted in a net loss of residential units in 2015/16 because of amalgamation which resulted in a combined loss of 69 residential units. The net residential completions in 2015/16 were 341 units.

5.8 In 2016/17 there were 14 planning permissions completed for schemes that resulted in a net loss of residential units through amalgamation. This results in a combined loss of 23 residential units. The fall in numbers is a reflection of the current policy framework of resisting the loss of all amalgamations as the starting point. Altogether this adds up to 482 dwellings lost since 2009/10, a significant figure considering the Borough’s annual target and completions below target in a number of years.

	Certificates of Lawful Use or Development Issued					Data from Council Tax	Housing completions		Total
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	
Net residential losses	-47	-58	-72	-80	-40	-93	-69	-23	-482

**Table 2 of Q 5: Certificates for Lawful Use or Development - Net residential losses (source: AMR 2017)**

5.9 A number of options were considered during policy formulation for amalgamations. These are set out in the core document (SUB43.1) Policy Formulation Report for Policy CH1: Increasing Housing Supply, October 2017. The policy on amalgamations is considered consistent with national policy and in particular paragraph 47 of the NPPF to *‘boost significantly the supply of housing’* by requiring Councils to meet the *‘full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this framework including identifying key sites which are critical to the delivery of the housing strategy over the plan period;’*. The scale of losses through amalgamations do not aid in boosting housing supply.

5.10 In accordance with the NPPF, the SHMA includes the evidence base on local housing requirements. This is shown as a breakdown by bedroom size of the objectively assessed need (OAN) for all types of housing (SHMA Table 6.11). The evidence as presented in Figure 1 of Q 5 is of a 50/50 split between smaller (1-2 bedrooms) and larger (3-4+ bedroom) units.

Dwelling Size	Percentage
1 Bed	23%
2 Bed	29%
3 Bed	30%
4+ Beds	18%

**Figure 1 of Q 5: Breakdown of bedroom size**

- 5.11 The proposed Policy CH1 b. recognises that combining two residential units resulting in the net loss of one residential unit may be acceptable up to the specified maximum floorspace limit of 170 sq m gross internal area (GIA). More on the floorspace threshold is explained in response to Question 6 below. This approach has been taken as it can help serve a need by providing family sized accommodation in the Borough and enable families to stay and expand without moving home. As set out above the SHMA 2015 supports 50% of new housing to be family sized accommodation (3 to 4 bed plus units). Limiting the extent of amalgamations can also help improve sub-standard accommodation and meet the nationally described space standards<sup>11</sup>. For the policy to be effective, criterion c. ensures that a stepped approach to amalgamations cannot be applied.
- 5.12 Nationally there is a clear and emphatic drive to increase the supply of housing across the country. This is reflected in various government consultations such as the Housing White Paper, DCLG, February 2017, Planning for the Right Homes in the Right Places, DCLG, September 2017 and announcements in the Autumn 2017 budget. These Government consultations propose the introduction of a housing delivery test with the presumption in favour of sustainable development applying where local authorities fail to deliver housing below specified thresholds. Therefore, the scale of losses through amalgamations need to be curtailed in this Borough to maintain the existing stock of housing and reduce losses in housing completions as not doing so could have significant planning consequences.
- 5.13 The Council received a letter of general conformity (SUB9) from the Mayor of London at Regulation 19 stage dated 16 March 2017. The letter refers to the issue of amalgamations and states that *“The Council is rightly concerned about the loss of homes through amalgamations and the loss of capacity through the construction of very large homes.”*
- 5.14 Chapter 3 of the London Plan stresses the overwhelming need for housing across London with Policy 3.14 resisting the loss of residential floorspace unless housing is replaced at existing or higher densities with at least equivalent floorspace. The supporting text of this policy seems to clarify that the losses where they do occur are only to improve the existing housing stock.
- 5.15 The Mayor’s adopted Housing SPG (March 2016) (para 1.2.38) further clarifies that *“In some neighbourhoods, especially in parts of central London, de-conversion of a number of smaller units into larger dwellings*

<sup>11</sup> Adopted by the London Plan 2016 (see Table 3.3)

*can reduce capacity to meet the requirements of small households. Where there is local evidence that the amalgamation of separate flats into larger units is leading to the sustained loss of homes, boroughs are encouraged to resist this process in line with London Plan Policy 3.14.” Further guidance is provided in paragraphs 5.1.8 to 5.1.10 of the Housing SPG. In particular paragraph 5.1.10 states “Emphasis on resisting the net loss of housing should be an important factor when considering proposals to replace or convert a number of smaller existing units with very large homes, especially where this would not address local housing need. Further guidance on residential conversions is provided in Section 1.2. Where larger family sized properties are required to address the needs of particular communities (Policy 3.8Bf), housing may be re-provided at marginally lower unit densities and the requirements of Policy 3.14B should be applied flexibly.*

- 5.16 Given the overwhelming need for additional homes across the Borough and London as a whole, planning policies should resist the loss of existing homes. Policy CH1 b. resists the loss of units through amalgamations with some exceptions. The policy balances the need for family homes against losses from amalgamations. The combination of the significant loss of smaller units resulting from amalgamations, the Borough’s challenging housing target, residential completions at levels consistently below target, and the need to be in general conformity with the requirements of the London Plan which protects existing residential densities, all justify the approach proposed in Policy CH1.

### **Very Large Units**

- 5.17 In recent years the Borough has seen an increase in planning applications for ‘super-prime’ developments. These are luxury, high-end, high-specification developments with multi-million pound sales values known as prime and super prime housing. There is no fixed definition of prime or super prime housing. The Borough’s SHMA concludes that super prime properties are those valued at more than £10 million and prime properties between £2 million and £10 million<sup>12</sup>. This approach is supported by research prepared by central London estate agents with the prime residential market identified as that for properties priced over £2 million but slightly different from a recent report prepared by Westminster City Council<sup>13</sup> which identified super prime properties as those over £5 million.
- 5.18 The SHMA finds that the areas with the highest average prices in the Borough are SW1X (Knightsbridge), SW3 (Chelsea, Brompton, Knightsbridge and Kensington), SW5 (Chelsea, Kensington and Earl’s Court), SW10 (West Brompton and Chelsea), W8 (Kensington and Holland Park) and W11 (Notting Hill and Holland Park) where average sales prices are all above £1million. The major trend identified when looking at the unit typology in regards to Prime and Super Prime sales, in the increase in the number of flats purchased, and the decrease in terraced houses. Flats

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<sup>12</sup> Borough SHMA 2015, Table A4.1

<sup>13</sup>[http://transact.westminster.gov.uk/docstores/publications\\_store/news/prime\\_residential\\_research\\_report\\_140722.pdf](http://transact.westminster.gov.uk/docstores/publications_store/news/prime_residential_research_report_140722.pdf)

accounted for 39.6% of sales in 2010 compared to 62.1% in 2014, whilst terraced houses as a percentage of sales declined from 57.4% in 2010 to 43.7% in 2014. Further the majority of Prime and Super Prime units are Second Hand Sales, the number of new build units as a percentage of overall sales has grown from 1% in 2010 to 7% in 2015.

- 5.19 There are clear aspirations at the regional level that London retains and extends its role as a global city and this includes continuing to attract significant overseas investment in London's economy and infrastructure. The vision for the Borough also seeks to 'enhance the reputation of our national and international destinations'. Whilst this is focused more on the unique retail and cultural offer of the Borough there is an argument that different London boroughs should fulfil different roles and that the prime residential market is important for encouraging economic growth and making London an attractive city in which to invest.
- 5.20 In terms of new build housing within the Borough, for properties to achieve these prime and super prime values, the Council has seen an increase in the number of very large residential units coming forward for development which are significantly above the Nationally Described Minimum Space Standards.
- 5.21 To significantly boost the Borough's housing supply, Policy CH1d is seeking to optimise the number of residential units delivered on a site by taking into account the relevant range within the London Plan Sustainable Residential Quality Density Matrix. In addition the provision of new very large units to meet the requirements of prime and super prime buyers will not contribute to meeting local housing needs as identified through the Borough's SHMA. Such an approach may reduce the opportunities within the Borough for catering to the market for international investors although opportunities will remain within the second-hand market. As previously stated most of the sales of such properties are within the second hand market.
- 5.22 It should be noted that Policy D6: Optimising housing density of the Draft London Plan, December 2017 is proposing a design led approach to optimising density. It does require developments to make the most efficient use of land and be developed at the optimum density. The optimum density of a development should result from a design-led approach to determine the capacity of the site. Particular consideration should be given to:
1. *the site context*
  2. *its connectivity and accessibility by walking and cycling, and existing and planned public transport (including PTAL)*
  3. *the capacity of surrounding infrastructure.*
- 5.23 The policy proposes new requirements for planning applications including submitting details of number of habitable rooms, bedrooms and bedspaces per hectare for all applications. The requirements for major planning applications include floor area ratios, the site coverage ratio and the maximum height.

- 5.24 Whilst the Draft London Plan Policy D6 is subject to consultation and may take a different form when it is adopted, it shows the direction of travel. The approach proposed to make efficient use of land and optimise site densities is in-line with the objectives of LPPR Policy CH1 d. Given the character of the Borough with almost three quarters of the Borough within conservation areas and about 4,000 listed buildings, a design led approach is generally followed. To maintain the flexibility in Policy CH1 to reflect the emerging London Plan policy on density, it is proposed to modify the wording of Policy CH1 d. to remove reference to the London Plan Sustainable Residential Quality Density Matrix and refer to the London Plan policy on density (MINOR/218 and MINOR/219 in CED009).
- 5.25 In terms of consistency with national policy, paragraph 47 of the NPPF states that *“To boost significantly the supply of housing, local planning authorities should..... set out their own approach to housing density to reflect local circumstances.”*
- 5.26 It is considered that Policy CH1 d. seeking to restrict very large units and maximise the number of units that a site can deliver is consistent with the national policy to boost the supply of housing. It reflects London Plan policy on density and is in conformity with the London Plan. The Mayor of London’s letter of general conformity (SUB9) confirms the general conformity of the LPPR and does not raise density as an issue.

**6. Is the threshold of 170 square metres (sqm) justified as the maximum limit for large units where a single dwelling is lost? What evidence is available to support this figure? Would a higher threshold be justified?**

6.1 The Council has also monitored planning approvals relating to amalgamations from 1 September 2014 to 1 June 2016. In this period there was a net loss of a further 91 units through amalgamations. About half of these losses were from schemes where the amalgamation resulted in the loss of one unit only (see Table 1 of Q 6). This indicates that a simple restriction on the number of units that may be amalgamated alone would not be positively prepared, justified or effective as it would allow a large proportion of units to continue to be lost through amalgamations

<b>No. of units lost in each amalgamation</b>	<b>-1</b>	<b>-2</b>	<b>-3</b>	<b>-4</b>	<b>-5</b>	<b>-6</b>	<b>Grand Total</b>
Total units lost	-42	-12	-9	-12	-10	-6	-91
No. of Schemes	42	6	3	3	2	1	57

**Table 1 of Q 6: No. of units lost through amalgamations 1 September 2014 to 1 June 2016**

6.2 The floorspace figures of the new units being created through amalgamation were further examined (Table 2 of Q 6). The table uses the minimum floorspace standards set out in the Nationally Described Space Standards as the starting point. The Nationally Described Space Standards

have been adopted by the London Plan. The standards are minimum floorspace standards and state that “*Relating internal space to the number of bedspaces is a means of classification for assessment purposes only when designing new homes and seeking planning approval (if a local authority has adopted the space standard in its Local Plan). It does not imply actual occupancy, or define the minimum for any room in a dwelling to be used for a specific purpose other than in complying with this standard.*” Therefore, whilst the standards are a useful starting point they should not be used as the maximum standards to restrict the floorspace of a new amalgamated unit.

6.3 It is evident from Table 2 of Q 6 that if the floorspace limit is set too high the policy will not be justified or effective in managing the numbers of units lost through amalgamations. For instance, setting the limit to a maximum of 250 sq m would result in about half of the units being lost. Therefore, to restrict the majority of losses but allow some losses which enable the creation of a family sized unit a limit of 170 sq m has been included in the publication policy with proposed modifications. In addition, setting the threshold at 200 sq m would be in contrast with Policy CH1 d. ‘restricting very large units’ as the loss of units to make very large units on-site may not optimise the site potential.

	<b>No. of lost units</b>	<b>No. of schemes</b>
Less than or equal to Nationally Described Space Standards - 4 bed, 7 person, 3 storey dwelling: 121 sq m GIA (rounded to 120 sq m)	11	11
Less than or equal to Nationally Described Space Standards - 4 bed, 8 person, 3 storey dwelling: 130 sq m GIA	12	12
Less than or equal to Nationally Described Space Standards - 6 bed, 8 person, 3 storey dwelling: 138 sq m GIA (rounded to 140 sq m)	19	19
Less than or equal to 160 sq m	24	23
Less than or equal to 200 sq m	30	28
Less than or equal to 250 sq m	44	38
Less than or equal to 350 sq m	73	48
Less than or equal to 500 sq m	85	53
Less than or equal to 900 sq m	91	57

**Table 2 of Q 6: No. of units lost through amalgamations by floorspace 1 September 2014 to 1 June 2016**

6.4 A higher figure would render the policy ineffective – not in-line with the ‘tests of soundness’ in the NPPF.



## Affordable Housing (Policy CH2)

7. **Is the approach to affordable housing set out in Policy CH2 justified, consistent with national policy and in general conformity with the London Plan? In particular:**
  - a. **Is the 35% target justified by viability evidence and consistent with the London Mayor's strategic target of 50% across London?**

### **Affordable Housing Target Viability Study (2015) (SUB51)**

- 7.1 The Council commissioned BNP Paribas Real Estate to test the viability of providing an appropriate affordable housing target for the Borough. The economic viability of delivering affordable housing must be taken into account in accordance with national policy. Paragraph 173 of the NPPF requires that new developments should not be subject to such a scale of obligations and policy burdens that their ability to be viably developed is threatened.
- 7.2 The viability evidence commissioned by the Council demonstrates that a proportion of affordable housing is viable in all residential developments, and all mixed use developments with 30% of commercial floor space. However, the level of viability varies significantly. The range for a generally viable affordable housing target appears to be 35%-40% in the lower value areas to 60% in the very high value area such as Knightsbridge. However, opportunities for significant amounts of development or added floorspace are limited in the high value area and it is therefore unlikely that the area will yield much affordable housing. The report provided the Council with the option of either adopting a single target across the Borough of between 35% and 40% or a split rate, of perhaps 50% in the highest value areas and 35% to 40% elsewhere.

### **Affordable Housing Viability Study Update (2016) (SUB53)**

- 7.3 The Council commissioned BNP Paribas Real Estate to undertake an update of the Affordable Housing Target Viability Study to address a number of issues that emerged since the 2015 study was published. One of the issues to be tested was the impact of the government proposals to require 20% starter homes on sites of 0.5 ha or more or providing 10 dwellings or more. Since then the Government's Housing White Paper, February 2017 consultation has retracted the proposal to make the provision of starter homes a mandatory requirement. Therefore, the findings of the update on this particular issue are no longer relevant.

### **Affordable Housing Viability Study Update (2017) (SUB54)**

- 7.4 The Council commissioned BNP Paribas Real Estate to undertake an update of the Affordable Housing Target Viability Study of June 2015 and July 2016 to address the issues that emerged in the Housing White Paper, February 2017. The Housing White Paper consultation proposed expanding the current planning definition of affordable housing as set out in [Annex 2: Glossary of the NPPF](#) to include a greater range of low cost housing

opportunities for those aspiring to own a home. The new definition would include starter homes, discounted market sales and affordable private rent housing within it. A further change relates to changing the NPPF to make it clear that “local authorities should seek to ensure that a minimum of 10% of all homes on individual sites are affordable home ownership products.” The proposed changes to the definition of affordable housing all seem to be a form of intermediate housing.

- 7.5 The update of the viability study confirms that the Publication Policy CH2 with Proposed Modifications is capable of delivering the mix of affordable housing products outlined in the Housing White Paper without a significant detrimental impact on viability. The tenure mix proposed in Policy CH2 requiring 50% of affordable homes to be intermediate can provide intermediate rent and affordable home ownership products including starter homes, discounted market sales and shared ownership products.
- 7.6 The report concludes that *“While maintaining an overall level of 35% affordable housing, 50% of which is to be provided as Affordable Rent, we have tested the remaining 50% with varying intermediate tenures, including Starter Homes (with affordability amended to household incomes rather than unit price); Discounted Market Sale; and Intermediate Rent. Where schemes are to be provided as build for rent, the whole affordable housing requirement is satisfied through the provision of Affordable Private Rent which generally is viable at 35%. Due to the constraint of affordability, the value generated by these tenures is not significantly different from each other. The change in residual values when varying the mix of the tenure scenarios is relatively modest as a consequence of the limited difference in values.*

*Our testing of the Council’s affordable housing tenure scenarios indicates that there is little difference in residual land values in comparison to the Publication Policies mix of 50% Affordable Rent and 50% Shared Ownership. The evidence shows that a range of scenarios that could arise from the emerging national requirements in the Housing White Paper do not adversely affect the viability of the Council’s Publication Policy affordable housing floorspace target of 35% and tenure split of 50% social/affordable rent and 50% intermediate (which could include intermediate rent and/or affordable home ownership).”*

### **Mayor of London’s Strategic Target**

- 7.7 The approach set out in the GLA’s Draft SPG was to have a threshold approach of 35% affordable housing which is explained in more detail below.
- 7.8 The Mayor of London’s long term aim is for half of all new homes to be affordable. The planning policy framework for how this will be achieved is set out in the Mayor’s adopted supplementary planning guidance (SPG). The Mayor’s SPG is seen as the first step to raise the amount of affordable housing coming through the planning system ahead of the [new London Plan](#) in 2019 (page 3 of the SPG). The core document (SUB44): Policy Formulation Report for Policy CH2 Affordable Housing, May 2017 makes it

clear that the Mayor's Draft Affordable Housing and Viability SPG was taken into account in policy formulation. The adopted SPD is very similar to the draft.

- 7.9 The Mayor's SPG introduces a *"threshold approach to viability', which is where the approach to viability information differs depending on the level of affordable housing being provided."* (paragraph 8)
- 7.10 Essentially two routes are available to applicants – (1) Fast Track Route and (2) Viability Tested Route. These are explained below -
- 7.11 Paragraph 9 of the Draft SPG explains a 'Fast Track Route' (also see page 17) that, *"Applications that meet or exceed the 35% threshold without public subsidy, provide affordable housing on site, meet the specified tenure mix and all other requirements and obligations are not required to submit viability information. Such schemes will be subject to an early review mechanism, but this is only triggered if an agreed level of progress is not made within two years of permission being granted (or a timeframe agreed by the LPA and set out within the S106 agreement)."* Such an approach is considered to provide greater certainty to applicants, reducing the need for protracted negotiation and providing an incentive to developers to deliver more affordable housing through the planning system. It is also seen as a step in ensuring planning permissions are implemented.
- 7.12 Viability Tested Route (paragraph 10) (also see page 18) – *"Schemes which do not meet the 35 per cent affordable housing threshold, or require public subsidy to do so, will be required to submit detailed viability information (in the form set out in Part three) which will be scrutinised by the Local Planning Authority (LPA), and where relevant the Mayor, and treated transparently. Where a LPA or the Mayor determines that a greater level of affordable housing could viably be supported, a higher level of affordable housing will be required which may exceed the 35 per cent threshold."*
- 7.13 The viability tested route (page 18) specifies that *"All applicants should explore the use of grant and other public subsidy to increase the level of affordable housing"* (details are provided in the section titled 'Increasing Affordable Housing to 50 per cent, paragraphs 2.20 - 2.28).
- 7.14 The Mayor of London's letter of general conformity received at Regulation 19 stage (SUB9) commented on Policy CH2 as follows *"The proposed amendments to the policy and reasoned justification to reference the Mayor's Draft Affordable Housing and Viability SPG, are welcomed. However, it is strongly recommended that Policy CH2b is explicit that the 35% threshold should be met without the use of public subsidy and that all applicants are expected to explore the use of grant and other public subsidy. It is currently anticipated that the SPG will be finalised in late Spring 2017"*
- 7.15 It should be noted that the Council consulted on a target of 40% at the Draft Policies stage. All the alternative options considered are set out in the core document (SUB44). The Mayor of London responded to the Council's Draft

Policies (Regulation 18) consultation (SUB7, page 528) stating that *“the Mayor is currently consulting on his Affordable Housing and Viability Supplementary Planning Guidance and Local Planning Authorities (including Kensington and Chelsea) are strongly encouraged to follow the approach set out in the SPG. Include a clear approach to seeking to increase the amount of affordable housing delivered to 50% using grant (as set out in the recently published Affordable Housing Programme Funding guidance) and other public subsidy.”*

- 7.16 The Council agreed with the Mayor’s approach to negate protracted negotiations on viability, offering consistency and certainty for applicants and to increase the delivery of affordable housing an achievable target of 35% should be set in the policy. This was justified by the Council’s evidence as set out above. A 40% target was at the higher end of the scale in the evidence and was more feasible with the inclusion of the Government’s mandatory requirement for 20% starter homes. However, as the starter homes proposal was later retracted in the Housing White Paper, setting the target at 35% was the preferred option.
- 7.17 Paragraph 35.3.24 of the supporting text to Publication Policy CH2 (SUB5) along with proposed modifications (MINOR/062, SUB6) makes the approach in Policy CH2 consistent with the Mayor’s SPG and the long-term strategic aim of 50%. Paragraph 35.3.24 (including proposed modifications) makes it clear that the 35% target is without the use of public subsidy and that *“all applicants should explore the use of grant and other public subsidy to increase the level of affordable housing to the Mayor’s strategic aim of 50%.”*
- 7.18 Therefore, the 35% requirement in Publication Policy CH2 is based on robust and extensive evidence base. It is also consistent with the London Mayor’s strategic target long-term target of 50%. It should be noted that the current London Plan seeks the ‘maximum reasonable amount of affordable housing’. The policy is also compliant with this aim.

**b. Is a threshold of 650 sqm or more justified in relation to national policy, the Written Ministerial Statement and the London Plan?**

- 7.19 The Affordable Housing Target Viability Study 2015 (SUB51) included a range of typologies including a scheme comprising four houses and another with five flats. The study looked at hypothetical scenarios of the maximum affordable housing that the schemes could viably provide in the various CIL value zones in the Borough using appropriate benchmark land values for each of the zones. The appraisals are structured to incrementally introduce affordable housing until the residual land value and the benchmark land value are equal. The study indicates that in these two small schemes depending on their location in the Borough, it would be possible to achieve an affordable housing proportion of between 22% (zone E – Kensington West) and 61% (zone A - Knightsbridge). Even at the lower end of the range at 22% the affordable housing that can be viably achieved is significant given that there is a strong reliance in the Borough on small sites due to its uniquely dense and historic character.

## National policy

- 7.20 The Government has set a minimum threshold below which planning obligations including affordable housing should not be sought. [Paragraph 31](#) of the NPPG states that, “*There are specific circumstances where contributions for affordable housing and tariff style planning obligations (section 106 planning obligations) should not be sought from small scale and self-build development. This follows the order of the Court of Appeal dated 13 May 2016, which give legal effect to the policy set out in the [Written Ministerial Statement of 28 November 2014](#) and should be taken into account.*”
- These circumstances are that;*
- *contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm (gross internal area)”*
- 7.21 Paragraph 16 further states that “*For the purposes of section 106 planning obligations only the definition of 10-units or less applies. This is distinct from the definition of major development...*”
- 7.22 S19(2) of the Planning and Compulsory Purchase Act 2004 states that in preparing a Local Plan, the Council “*must have regard to... national policies and advice contained in guidance issued by the Secretary of State...*” (emphasis added). The Council has clearly had regard to the respective national policies and advice on this matter as set out in paragraphs 2.2.26-27 and 2.3.22 of the Policy Formulation Report for CH2 Affordable Housing (SUB44) and fully meets this legal requirement.
- 7.23 The test of soundness relating to being “Consistent with national policy” in paragraph 182 of the NPPF is concerned with being “in accordance with the policies in the Framework” with no explicit reference to WMSs and the NPPG. In any case, the Council considers the approach is in accordance with the NPPF and the objectives of the WMS which is concerned with the “disproportionate burden of developer contributions on small scale developers” - the Council's evidence suggests that the requirement is proportionate and viable.
- 7.24 The proposed policy approach also meets the other tests of soundness with regard to “Positively prepared” in that it helps the Council meet as much of its affordable housing need as possible and “Justified” in that it is based on evidence.
- 7.25 It should also be noted that the Government’s [Autumn Budget 2017, November 2017](#) document included some proposals for “Planning for more homes”. This included “***expecting local authorities to bring forward 20% of their housing supply as small sites. This will speed up the building of new homes and supports the government’s wider ambition to increase competition in the house building market.***” (paragraph 5.11, second bullet)

## Written Ministerial Statement

- 7.26 The Written Ministerial Statement (WMS) was subject to legal challenges and the appeal by the SoS to the initial High Court Judgement provides useful insight on the operation of this policy. The Court of Appeal Judgement<sup>14</sup> indicates that even though the WMS does not explicitly indicate flexibility in terms of local policy making, it does not over ride other statutory requirements including S38(6) of the Planning and Compulsory Purchase Act 2004 and S70(2) of the Town and Country Planning Act 1990.
- 7.27 Crucially, paragraph 26(iv) of the Judgement refers to a statement by Mr Drabble acting on behalf of the Secretary of State and states *"Likewise if in future an LPA submits for examination local plan policies with thresholds below those in the national policy, the Inspector will consider whether the LPA's evidence base and local circumstances justify the LPA's proposed thresholds. If he concludes that they do and the local plan policy is adopted, then more weight will be given to it than to the new national policy in subsequent decisions on planning applications"*.
- 7.28 Paragraph 30 of the Judgement states *"In our judgment, then, the policy stated in the WMS is not to be faulted on the ground that it does not use language which indicates that it is not to be applied in a blanket fashion..."*. This essentially means that the Government policy approach has the flexibility not to be applied in a blanket fashion.
- 7.29 It should also be noted that paragraph 36 states *"We would certainly accept that the statutory planning context to some extent constrains the Secretary of State. It prohibits him from making policy which, as we have put it in dealing with the principal issue in the case, would countermand or frustrate the effective operation of s.38(6) or s.70(2). It would also prevent him from introducing into planning policy matters which were not proper planning considerations at all. Subject to that, his policy choices are for him. He may decide to cover a small, or a larger, part of the territory potentially in question. He may address few or many issues. The planning legislation establishes a framework for the making of planning decisions; it does not lay down merits criteria for planning policy, or establish what the policy-maker should or should not regard as relevant to the exercise of policy-making". (emphasis added)*

## Camden precedent

- 7.30 The Inspector's Report into Camden's Local Plan (May 2017)<sup>15</sup> directly addresses the issue of setting development plan policy below the affordable housing threshold of 11 or more units established by the WMS.
- 7.31 The report sets out that there is scope to consider whether local circumstances may justify lower affordable housing thresholds as an

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<sup>14</sup> [www.bailii.org/ew/cases/EWCA/Civ/2016/441.html](http://www.bailii.org/ew/cases/EWCA/Civ/2016/441.html)

<sup>15</sup> <http://camden.gov.uk/ccm/navigation/environment/planning-and-built-environment/planning-policy/local-development-framework/>

exception to national guidance.

- 7.32 The report recognises that the likely delivery of affordable housing in the Borough across the plan period will fall significantly short of needs identified in the Borough's SHMA. This is due to the particular constraints of a densely developed inner London Borough where options to allocate additional land are extremely limited and there is a reliance on a large number of small sites to deliver housing growth.
- 7.33 Given this context, the report considers "it is vital to maximise opportunities for the delivery of affordable housing on sites that do become available" (paragraph 61). This includes consideration of the capacity of small sites to contribute to the delivery of affordable housing.
- 7.34 It should be noted, however, the report is also clear that significant weight should be given to the WMS as national policy and that its premise of not placing a disproportionate burden on small scale developers must also be addressed.

### **Justification**

- 7.35 As inner London boroughs, there are necessarily similarities in the issues affecting both Camden and Kensington and Chelsea.
- 7.36 The Royal Borough of Kensington and Chelsea is the smallest London Borough. It is extremely densely built up with the household density in the Borough at 6,478 households per sq km compared to an average of 155 households per sq km in England and Wales. It has the second highest population density (13,086 residents per sq km) (Table QS102EW Census 2011) in England and Wales. It also has a unique historic environment with nearly three quarters of the Borough within designated conservation areas and 4,000 listed buildings. As a result, the Borough has only a limited capacity to deliver housing.
- 7.37 In setting the threshold for affordable housing at 650 sq m Gross Internal Area (GIA) the Council considered the approach to be justified as the most appropriate policy approach taking into account the findings of the Affordable Housing Viability Study (SUB51, 53 and 54) which determined that schemes of four houses or five flats were able to support a level of affordable housing. This is set out in paragraph 2.3.22 of the Policy Formulation Report for Policy CH2 Affordable Housing (SUB44). Policy CH2 also establishes a flexible approach allowing financial viability to be assessed on a case by case basis where the affordable housing policy target of 35% cannot be met for reasons of viability.
- 7.38 It should also be noted that the proposed threshold of 650 sq m GIA does not differ significantly from the existing Local Plan threshold of 800 sq m GEA which has been largely effective since its adoption.

### **London Plan**

- 7.39 The Mayor's letters of general conformity (SUB9 and CED007) do not comment on the floorspace threshold specifically.

- 7.40 The current London Plan Policy 3.13: Affordable housing thresholds A. and B. state that Boroughs should **normally require** affordable housing provision on a site with capacity to provide 10 or more units, **but to seek a lower threshold where this can be locally justified** through the LDF process where this can be justified in accordance with guidance, including circumstances where this will enable proposals for larger dwellings in terms of floorspace to make an equitable contribution to affordable housing provision. *(emphasis added)*
- 7.41 The Draft London Plan, December 2017 also places a new emphasis on delivery from small sites. The small sites component for the Borough is 169 units per annum which is 35% of the Borough's overall target of 488 units per annum (Tables 4.1 and 4.2 of the Draft London Plan) which is significant. The Draft London Plan paragraph 4.2.12 further states that *"the 2017 SHMA has identified significant unmet need for affordable housing. For some boroughs, sites of ten or fewer units are the main source of supply and play an important role in contributing to affordable housing delivery, often via cash in lieu contributions which are then used as part of borough-wide affordable housing programmes. **Given the important role these sites play, the Mayor believes that boroughs should be capable of securing cash in lieu contributions for affordable housing from such sites.** Therefore, boroughs are encouraged to include policies requiring affordable housing from such sites of ten or fewer units in their Development Plans."* *(emphasis added)*
- 7.42 Publication Policy CH2 is in conformity with the current and emerging London Plan policy including the draft policy. It is considered that in addition to the Borough specific viability evidence on this issue, the direction of travel both nationally and London-wide is a greater reliance on smaller sites. Therefore, given the location and specific circumstances of this Borough it is considered justified to seek affordable housing contributions at the 650 sq m GIA threshold.
- c. **Is the tenure split of 50% social rent and 50% intermediate housing justified by the evidence base and is it in general conformity with the London Plan targets?**

### **London Plan Policy**

- 7.43 The current London Plan requires that the Council sets a separate target for the provision of social/ affordable rented housing and intermediate housing. Policy 3.11 'Affordable Housing Targets' of the London Plan proposes a strategic target of 60% of affordable housing provision as social/ affordable rent and 40% for intermediate rent or sale. Whilst this is a strategic London-wide target it is not imposed on boroughs but the policy wording states that *"Boroughs should set an overall target in LDFs for the amount of affordable housing provision needed over the plan period in their areas and separate targets for – social/affordable rent and intermediate."*
- 7.44 The new Draft London Plan currently out for consultation until 2 March 2017 is proposing to change the tenure mix (Policy H7: Affordable Housing



Tenure) to - a minimum of 30% low cost rent (social rent/London affordable rent), a minimum of 30% as intermediate products including London Living Rent and London Shared Ownership and the remaining 40% to be determined by the relevant LPA.

- 7.45 It is considered that the tenure mix proposed in Policy CH2 is in conformity with both the current and draft London Plan. The Mayor of London has not commented on the proposed tenure mix in the letters of general conformity (SUB9 and CED007).

## **Evidence**

### **SHMA 2015 (SUB49)**

- 7.46 The level of need for each tenure is determined by the affordability threshold which is calculated as the entry level monthly cost. The lowest cost market tenures start at £1,712 for a one bed which is equivalent to a gross household income of £68,480 (assuming 30% of gross income is spent on housing costs) rising to £95,320 for a two bed unit. Given that the median average wage of a Borough resident is just under £40,000<sup>1617</sup> this indicates that market housing will be unaffordable to a significant proportion of Borough residents.
- 7.47 The Council consulted on options for affordable tenure mix at the Issues and Options stage (15 December 2015 to 9 February 2016). These options were set out in the Strategic Housing Market Assessment (SHMA) 2015 (SUB49) and based on variations of intermediate rent levels as follows:
- 7.48 Option 1 (72% social/affordable rent and 28% intermediate) Baseline Scenario – uses intermediate rent levels based on the London Mayor’s policy of 80% of market rent for one bed properties and then dropping this percentage accordingly for the larger units to stay affordable within the Mayor’s income bands for the respective property sizes. Options 2 and 3 were based on varying the intermediate rents, which resulted in different splits in the proportions of social / affordable housing and intermediate housing requirements.
- 7.49 Option 2 (17% social/affordable rent and 83% intermediate) Lowest intermediate rents – at the time the SHMA was written in late 2015, the Council had adopted an intermediate rent setting policy. Weekly rent charges are based on 40% of net income levels set at what is affordable for the lowest earnings at various levels of income bracket with no differentiation on property size/ number of bedrooms. Rent increases will only occur when the household income moves into the next higher income bracket. The intermediate rent prices for this scenario are based on what is affordable for the lowest levels of income under this policy.
- 7.50 Option 3 (56% social/affordable rent and 44% intermediate) Mid-point intermediate rents – in this scenario intermediate rents are set at the mid-

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<sup>16</sup> [www.nomisweb.co.uk/reports/lmp/la/1946157252/report.aspx](http://www.nomisweb.co.uk/reports/lmp/la/1946157252/report.aspx)

<sup>17</sup> In December 2015

point between the lowest rents under the Council’s Intermediate Rent Setting Policy and the maximum rents that would be possible under the London Mayor’s policy.

## Viability Testing of Options

### Affordable Housing Target Viability Update, July 2016 (SUB53)

- 7.51 The BNP Paribas Affordable Housing Target Viability Update, July 2016 considered the viability implications of each of the above options and found that all three options are viable. It states that *“In high value boroughs such as Kensington & Chelsea, **the gulf between market values and the price registered providers can pay to acquire newly developed affordable housing on developments is so significant that changes to tenure mixes rarely result in a significant difference in outcome**”* It concludes *“Adjustments to the tenure split and/or rents within the overall affordable housing provision therefore makes little difference to the overall residual land values generated by developments. With that caveat in mind, it is clear from the results tables that all the proposed options result in a modest improvement in the residual land values in comparison to the base position (which assumes a tenure mix of 85% social/affordable rent and 15% shared ownership). **The Council could therefore proceed with any of the three options as they all modestly improve viability; no reduction in the overall quantum of affordable housing would be required to accommodate the proposed tenure mixes.**”*

### Affordable Housing Viability Study Update, April 2017 (SUB54)

- 7.52 The overall affordable housing percentage was viability tested in the above July 2016 report and in the original 2015 study (SUB51). The key issue for testing in this April 2017 update study was the impact of varying tenure mix within the intermediate tenure to reflect the changes in the affordable housing definition proposed in the Housing White Paper -
- 7.53 The following tenure mix scenarios were further tested. It should be noted that the overall tenure split was kept at 50:50.

Affordable Housing percentage	Affordable rent	Intermediate housing				
		Shared ownership	Starter Homes	Discounted market sale	Discounted market rent (Affordable Private Rent)	Intermediate Rent
35%	50%	4%	3%	3%		40%
35%					100%	
35%	50%		10%			40%
35%	50%			10%		40%
35%	50%	10%				40%

Table 1 of Q 7c: Table 2.2.1 Housing tenure split scenarios from (SUB54)

- 7.54 As before the study found that, the impact of varying the rent levels and

overall tenure split of the intermediate housing compared to the base position of 50% affordable rent and 50% shared ownership is modest in high value areas, due to the significant difference between market values and affordable housing in the wider sense. Adjustments to the tenure split and/or intermediate tenure types within the overall affordable housing provision therefore makes little difference to the overall residual land values generated by developments.

- 7.55 The study concluded that *“While maintaining an overall level of 35% affordable housing, 50% of which is to be provided as Affordable Rent, we have tested the remaining 50% with varying intermediate tenures.....*

*Our testing of the Council’s affordable housing tenure scenarios indicates that there is little difference in residual land values in comparison to the Publication Policies mix of 50% Affordable Rent and 50% Shared Ownership. The evidence shows that a range of scenarios that could arise from the emerging national requirements in the Housing White Paper do not adversely affect the viability of the Council’s Publication Policy affordable housing floorspace target of 35% and tenure split of 50% social/affordable rent and 50% intermediate (which could include intermediate rent and/or affordable home ownership).”*

#### **Consideration of Options**

- 7.56 The options considered are all set out in the core document (SUB44), Policy Formulation Report – Policy CH2, May 2017. The 50:50 tenure split option was the preferred option because the Royal Borough is a borough of contrasts with extreme wealth and deprivation and its housing stock caters to those on the opposite end of the spectrum. The Council considers there is a need to increase the provision of intermediate housing which caters to those in between and a 50:50 tenure split in criterion c. of Policy CH2 supports this. The SHMA 2015 included various scenarios for the affordable housing tenure split including one similar to the 50:50 tenure split in criterion c. As stated above the tenure split has been tested for viability and the study and its update have confirmed that it is viable.

- d. **Is the use of Existing Use Value plus as the threshold land value in viability appraisals justified by the evidence and consistent with national policy? Where is this term defined?**

#### **Affordable Housing Target Viability Study (2015) (SUB51)**

- 7.57 Footnote 2 of the Affordable Housing Target Viability Study 2015 (SUB51) specifies that “for the purposes of this report, existing use value is defined as the value of the site in its existing use, assuming that it remains in that use. We are not referring to the RICS Valuation Standards definition of ‘Existing Use Value’. This is **in line with the NPPG on viability (paragraph 17)** which provides further guidance on costs and values. It states that **“Viability assessment in decision-taking should be based on current costs and values. Planning applications should be considered in today’s circumstances.”** (emphasis added)

- 7.58 The core document (SUB51) includes section 3.2: Viability benchmark which is dedicated to discussion on benchmark land values. The section highlights weaknesses in the market value approach. It refers to the examination of the Mayor’s CIL Charging Schedule where this issue was considered. The document comments that *“Advisors to developers often suggest that local authorities should run their analyses of the viability of sites on market values. This would be an extremely misleading measure against which to test viability, as market values should reflect existing policies already in place, and would consequently tell councils nothing as to how future policies might impact on viability. It has been widely accepted that market values are inappropriate for testing planning policy requirements.”*
- 7.59 The section lists a number of weaknesses in the use of market values/its variants such as ‘market testing of benchmark land values’ and concludes that *“the approach of using current use values is a more reliable indicator of viability than using market values or prices paid for sites.*

### National Policy

- 7.60 The NPPF includes a section titled “Ensuring viability and deliverability” (paragraphs 173 to 177). These paragraphs stress the importance of plans being deliverable. In particular paragraph 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.**”* (emphasis added)
- 7.61 In terms of land values, the [NPPG](#) on viability states in relation to plan making (paragraph 14 and 23) that *“In all cases, estimated land or site value should:*
- reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;
  - provide a competitive return to willing developers and land owners (including equity resulting from those building their own homes); and
  - be informed by comparable, market-based evidence wherever possible. Where transacted bids are significantly above the market norm, they should not be used as part of this exercise.”
- 7.62 The [NPPG](#) (paragraph 15 and paragraph 24) provides further guidance on ‘Competitive return to developers and landowners’ as referred to in the NPPF (paragraph 173). It states that *“A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. **Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.**”*

7.63 Paragraph 17 of the NPPG provides further guidance on costs and values and is set out in paragraph 7.57 above.

#### **Mayor's Affordable Housing and Viability SPG, August 2017 (EX005)**

7.64 The Mayor's SPG clearly supports the use of Existing Use Value plus in viability assessments of proposals. Paragraph 18 of the SPG states that, *"The SPG is explicit about the Mayor's preference for using Existing Use Value Plus as the comparable Benchmark Land Value when assessing the viability of a proposal. The premium above Existing Use Value will be based on site specific justification reflecting the circumstances that apply."*

7.65 Paragraphs 3.43 to 3.52 provide further guidance on existing use value plus approach. Paragraph 3.43 states that, *"The 'Existing Use Value plus' (EUV+) approach to determining the benchmark land value is based on the current use value of a site plus an appropriate site premium. The principle of this approach is that a landowner should receive at least the value of the land in its 'pre-permission' use, which would normally be lost when bringing forward land for development. A premium is usually added to provide the landowner with an additional incentive to release the site, having regard to site circumstances."*

7.66 Paragraph 3.47 in particular states that The Mayor considers that the 'Existing Use Value plus' (EUV+) approach is usually the most appropriate approach for planning purposes. It can be used to address the need to ensure that development is sustainable in terms of the NPPF and Development Plan requirements, and in most circumstances the Mayor will expect this approach to be used.

7.67 The benefit of the existing use value plus approach is that it reflects compliance with planning policies plus an added incentive to the landowner to release the site for development forward in-line with the NPPF. It clearly identifies the uplift in value arising from the grant of planning permission because it enables comparison with the value of the site without planning permission.

7.68 Therefore, in light of the Council's evidence (SUB51), the Mayor's Affordable Housing and Viability SPG (EX005), the NPPF and guidance in the NPPG using existing use value plus is considered to be justified by the evidence and compliant with national policy.

#### **Where is the term defined?**

7.69 It is acknowledged that paragraph 35.3.41 of the Publication Policies (SUB5) footnote 429 refers to a definition of existing use value plus in the glossary. However, no definition was included in the glossary. This was an oversight. The wording in paragraph 35.3.41 refers to the Council supporting the Existing Use Value plus approach as set out in the Mayor's SPG<sup>18</sup>. Therefore, the definition from the Mayor's Affordable Housing and Viability SPG, August 2017 (paragraph 3.43) (EX005) will be included as a

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<sup>18</sup> NB: reference to Mayor's SPG will be updated to refer to the Affordable Housing and Viability SPG adopted in August 2017. The quoted text is unchanged in the adopted SPG.

minor modification in the glossary. The definition is included in paragraph 7.65 above.

**e. Is the exemption of the borough from Vacant Building Credit justified by the evidence and consistent with national policy?**

**Court of Appeal judgement**

7.70 The same principles arising out of the Court of Appeal Judgement<sup>19</sup> referred to in the response to Question 7b. apply. The conclusion of the Judgement essentially means that the Government policy approach has the flexibility not to be applied in a blanket fashion.

**Richmond upon Thames precedent**

7.71 The London Borough of Richmond upon Thames which submitted its Local Plan Review to the Secretary of State on 17 May 2017<sup>20</sup> is proposing the same approach in the supporting text to its affordable housing policy (LP36), stating in paragraph 9.3.2 of its submitted document, "*..In London the majority of development is brownfield and does not need to be incentivised, as in many cases the building will only have been made vacant for the sole purpose of redevelopment, therefore the Vacant Building Credit will not apply*". The Inspector's [Main Modifications](#) are currently out to public consultation (until February) and does not include any modifications in relation to Vacant Building Credit.

**Justification**

7.72 The Policy Formulation Report for CH2 Affordable Housing (SUB44) sets out the Council's formulation of the approach to the vacant building credit in paragraphs 2.2.28-29, 2.2.49-52 and 2.3.33-34.

7.73 Paragraph 2.2.9 of the Policy Formulation Report highlights paragraph 23 of the NPPG which states that the vacant building credit "*is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings*". However, both the Council's own viability evidence (SUB53), and the Mayor's Affordable Housing and Viability SPG, August 2017 (EX005), highlight that brownfield land already delivers the majority of London's housing, and that vacant building credit does not make such schemes more viable (paragraph 2.71 of the Mayor's SPG). Such sites are already coming forward within the Borough without the assistance of vacant building credit, as the affordable housing policy is sufficiently flexible to allow for the level of affordable housing to be adjusted where necessary due to viability. The Council considers that such an approach is consistent with the principle purpose of the vacant building credit which is to bring forward development on brownfield land.

7.74 Paragraph 2.70 of the Mayor's Affordable Housing and Viability SPG, August 2017 (EX005) further reiterates the principles in the Court of Appeal decision for the WMS in that the WMS does not trump s38(6) and 70(2) of

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<sup>19</sup> [www.bailii.org/ew/cases/EWCA/Civ/2016/441.html](http://www.bailii.org/ew/cases/EWCA/Civ/2016/441.html)

<sup>20</sup> [www.richmond.gov.uk/local\\_plan\\_review](http://www.richmond.gov.uk/local_plan_review)

the Town and Country Planning Act 1990.

- 7.75 Paragraph 2.68 of the Mayor's SPG further quantifies the actual impact this policy may have on affordable housing delivery in London and states that *"This has significant implications for delivery of affordable housing in London where a high proportion of development is on brownfield land where there are existing buildings. **It is estimated that as many as 18,000 affordable housing approvals would have been lost had VBC been allowed over the past five years.**"* (emphasis added)
- 7.76 The Mayor's SPG also states his view that in most circumstances it will not be appropriate to apply the vacant building credit in London (paragraph 2.74). In doing so, he encourages the consideration of the current need for affordable housing in London; the rate of past delivery against targets; the requirement of the NPPF to seek to meet objectively assessed need; the fact that brownfield sites come forward for development without such an incentive; and the requirement in the NPPF to provide competitive returns to a willing land owner and willing development which already addresses the issue of the impact of affordable housing requirements on viability. In addition to these considerations the Mayor also sets criteria for boroughs to consider should the credit be applied. Paragraphs 2.68 to 2.78 cover the issue in detail.
- 7.77 Paragraph 35.3.44 of the Publication Policies (SUB5) provides the flexibility that the vacant building credit may apply in some cases.
- 7.78 To date, the Council has not applied the vacant building credit to any applications and the approach is proving effective. Given the overwhelming need for affordable housing in the Borough, it is considered that the Council's approach is positively prepared and justified. It is also considered to be in conformity with national policy as brownfield land does not need an additional incentive to come forward in this Borough. The Council considers the approach is in accordance with the NPPF and the objectives of the WMS which primarily aims "to boost development on brownfield land" - the Council's overall policy approach is to provide all new development on brownfield land. The approach is in-line with the principles in the national policy of meeting objectively assessed needs and ensuring that development is viable.
- 7.79 The proposed policy approach also meets the other tests of soundness with regard to "Positively prepared" in that it helps the Council meet as much of its affordable housing need as possible, "Justified" in that it is based on evidence and "Effective" in that the Council has neither applied the vacant building credit to any schemes so far nor is aware of applicants putting forward any arguments to apply it in specific schemes.

f. **Are the proposed ‘main modifications’ to Policy CH2 and its reasoned justification in respect of starter homes and the definition of affordable housing justified in the light of emerging changes to national policy announced following the Housing White Paper?**

7.80 The Housing White Paper, February 2017 published the outcome of the Government’s starter homes consultation in no uncertain terms. This is stated in paragraph 4.16, which states that, *“We have listened to concerns that our original plans for a mandatory requirement of 20% starter homes on all developments over a certain size will impact on other affordable homes. We want local authorities to deliver starter homes as part of a mixed package of affordable housing that can respond to local needs and local markets. We will commence the general duty on councils to promote the supply of starter homes.”* Paragraph 4.17 further states that, *“However, in keeping with our approach to deliver a range of affordable homes to buy, rather than a mandatory requirement for starter homes, **we intend to amend the NPPF to introduce a clear policy expectation that housing sites deliver a minimum of 10% affordable home ownership units. It will be for local areas to work with developers to agree an appropriate level of delivery of starter homes, alongside other affordable home ownership and rented tenures.”***

7.81 The ‘main modifications’ in relation to starter homes is to delete reference to the mandatory requirement in paragraph 35.3.18 (MAIN/003) and in Policy CH2a (MAIN/009).

7.82 Therefore, in respect of starter homes the modifications are necessary to reflect the firm decision taken by the Government.

7.83 The other main modifications to reflect the proposed expanded definition of affordable housing and the above policy expectation to deliver 10% affordable home ownership units are set out in main modifications MAIN/004 to MAIN/008 and MAIN/010 to MAIN/013. It is accepted that these changes are subject to the outcome of the consultation which is yet to be published. However, the changes show a direction of travel. They have been tested for viability in the Affordable Housing Viability Study Update, April 2017 (SUB54) as set out in response to Question 7c. above. Essentially, it is useful to note two points (1) that the products included in the expanded definition of affordable housing - starter homes, discounted market sales housing and affordable private rent housing are all a form of intermediate housing, which is proposed to be 50% of the affordable tenure mix regardless of government proposals and (2) the conclusion of the viability study (SUB54), that *“the impact of varying the rent levels and overall tenure split of the intermediate housing compared to the base position of 50% affordable rent and 50% shared ownership is modest in high value areas, due to the significant difference between market values and affordable housing in the wider sense. Adjustments to the tenure split and/or intermediate tenure types within the overall affordable housing provision therefore makes little difference to the overall residual land values generated by developments.”*



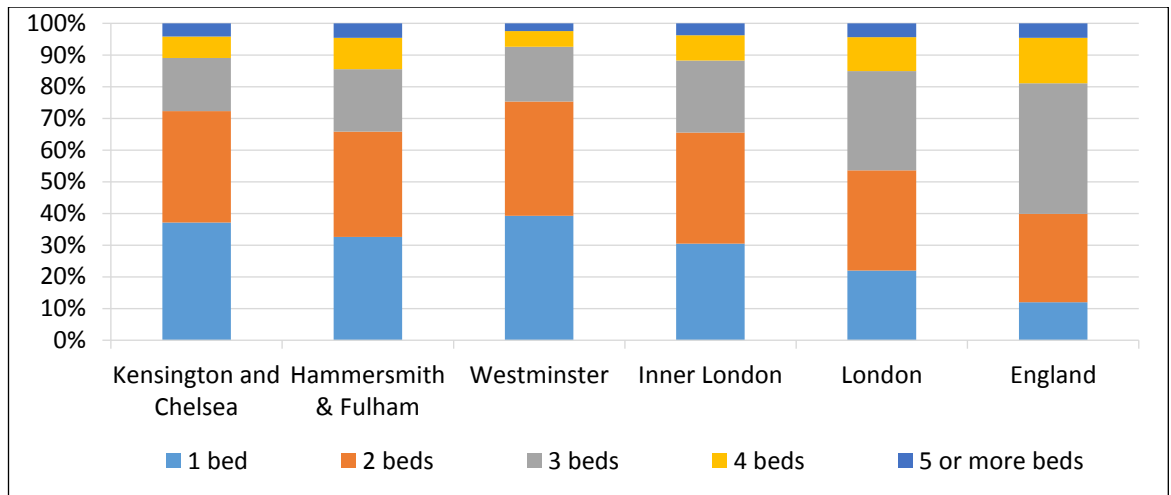
- 7.84 In light of the above, it is considered that the approach in the proposed ‘main modifications’ is justified by the evidence. The proposed ‘main modifications’ are pre-empting the changes in national policy to enable the revised Local Plan policy to be up to date with national policy and prolong its shelf life. However, if the changes in national policy are not exactly as proposed, the policy has the flexibility to reflect these changes within the 50:50 social/affordable rent and intermediate tenure split. This conclusion is backed up by the viability evidence on the issue. The Government is expected to publish the revised NPPF in the Spring.

### Housing Size Mix and Standards (Policy CH3)

- 8. Is the approach to housing size mix and housing standards contained in Policy CH3 justified by the evidence and is it consistent with national policy and in general conformity with the London Plan? In particular, is a more targeted approach, with an emphasis on delivering a greater proportion of smaller housing units justified by the evidence?**

#### **Justified by evidence**

- 8.1 The evidence for the approach to housing size mix and housing standards is set out in the core document SUB45 – Policy Formulation Report for Policy CH3, May 2017.
- 8.2 The SHMA 2015 (SUB49) includes the issue of dwelling size. As Figure 1 shows, the Borough has a greater proportion of smaller homes than the inner London and London average. Nearly three quarters (72%) of the current stock are one and two bedrooms compared to 66% for inner London and 54% for the whole of London. Proportionally however, there is also a reasonable proportion of large homes (four bed plus) at 11% which is equivalent to the inner London average. The Census also highlights that there are differences in dwelling size by tenure. For example, 40% of the owner occupied stock has three beds or more compared to only 20% in each of the social rented and private sector rented stock. Approximately half the social rented (47%) and private rented (45%) stock is one bed implying a restricted range of household sizes that these tenures can potentially house.



**Figure 1 of Q 8: Dwelling Size**

8.3 The SHMA has considered the existing dwelling stock, over/under occupation and the future household projections. In accordance with the NPPF, the SHMA includes the evidence base on local housing requirements. This is shown as a breakdown by bedroom size of the objectively assessed need (OAN) for all types of housing (SHMA Table 6.11). The evidence as presented in Figure 2 is of a 50/50 split between smaller (1-2 bedrooms) and larger (3-4+ bedroom) units. This shows local needs have changed significantly since the Local Plan Policy was adopted in 2010 when the need was for 80% three and four beds.

Dwelling Size	Percentage
1 Bed	23%
2 Bed	29%
3 Bed	30%
4+ Beds	18%

**Figure 2 of Q 8: Summary of Dwelling Size Requirements taken for SHMA Table 6.11**

8.4 The evidence in the SHMA 2015 (SUB49) does not support a targeted approach to provide a greater proportion of smaller housing units in the market housing sector. However, the picture is different for affordable housing as the SHMA also identifies the specific needs for those in need of affordable housing by tenure as shown in Figure 3 of Q 8 below.

Dwelling Size	Number	Percentage
1 Bed	575	49%
2 Bed	240	21%
3 Bed	184	15.5%
4+ Beds	171	14.5%
<b>Total</b>	<b>1,170</b>	<b>100%</b>

**Figure 3 of Q 8: Summary of Dwelling Size Requirements for Affordable Homes, SHMA 2015 Tables 8.10, 8.12 and 8.14**

- 8.5 The need for different sized homes within the affordable sector varies greatly from general housing needs with a significant requirement for 1 and 2 bed homes at 70% of the total need with the remainder split between 3 and 4 beds.
- 8.6 The SHMA highlights that as a trend based projection, these figures do have some limitations such as assuming current patterns of occupation continue. However, even with these assumptions aside, they provide an up-to-date evidence base for housing size mix.
- 8.7 Whilst this is the latest evidence of housing size mix in the Borough, the LPPR is maintaining the existing Local Plan policy on this issue. Publication Policy CH3 a. states that *“require new residential developments to include a mix of types, tenures and sizes of homes to reflect the varying needs of the borough, taking into account the characteristics of the site, and current evidence in relation to housing need;”*. Therefore, the policy is not prescriptive on this issue and refers to the latest evidence of need.

### **General conformity with the London Plan**

- 8.8 Ensuring housing choice is a key London Plan priority. Policy 3.8 specifically addresses the needs of different communities by requiring boroughs to undertake their own assessment of local housing needs to ensure that new developments offer a range of housing choices in terms of mix, housing sizes and taking account of housing requirements of different groups.
- 8.9 The Mayor’s letters of general conformity (CED007 and SUB9) confirm the general conformity of the LPPR and do not raise housing size mix or housing standards as an issue.
- 8.10 The approach in the new Draft London Plan on the issue of housing size mix is set out in Policy H12 Housing size mix. Criterion c. of this policy states, *“Boroughs should not set prescriptive dwelling size mix requirements (in terms of number of bedrooms) for market and intermediate homes.” Paragraph 4.12.2 further states that “Boroughs should not set policies or guidance that require set proportions of different-sized (in terms of number of bedrooms) market or intermediate units to be delivered. Such policies are inflexible, often not implemented effectively and generally do not reflect the optimum mix for a site taking account of all the factors set out in part A of Policy H12 Housing size mix.”*
- 8.11 Criterion A. refers applicants and decision makers to have regard to the range of housing need and demand in the London SHMA 2017 and where relevant local assessment of need.
- 8.12 Therefore, the flexible wording in Policy CH3 a. as set out above in paragraph 8.7 is considered to be in conformity with the London Plan.

### **Housing Standards**

- 8.13 In terms of housing standards for space and access, publication policy CH3 b. is not introducing a new policy but is requiring new residential

developments, including conversions, amalgamations and changes of use, to be designed to as a minimum floorspace to meet the housing standards on space and access as set out in the London Plan. Details of legislation and evidence in formulating this policy are set out in core document (SUB45) – Policy Formulation Report for Policy CH3, May 2017.

- 8.14 This approach has been taken because the Government’s housing standards review streamlined the planning regime in this regard The Government published a [Written Ministerial Statement \(WMS\)](#) in March 2015 which outlined the policy and announced amongst a number of other measures the publication of the new nationally described space standards. The WMS made it clear that *“This statement should be taken into account in applying the National Planning Policy Framework, and in particular the policies on local standards or requirements at paragraphs 95, 174, and 177, in both plan making and decision-taking.”*
- 8.15 For plan making purposes the WMS states that, *“local planning authorities .... should not set in their emerging Local Plans, neighbourhood plans, or supplementary planning documents, any additional local technical standards or requirements relating to the construction, internal layout or performance of new dwellings.”*
- 8.16 Whilst a nationally described space standard has been introduced it cannot automatically be used as a planning requirement. The WMS stated that *“The optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the [National Planning Policy Framework and Planning Guidance](#).”*

### **NPPG: Housing – Optional Technical Standards**

- 8.17 The NPPG provides further guidance on the use of nationally described space standards. It reaffirms the position in the WMS that the standards need to be adopted in the Local Plan to be a planning requirement. It also emphasises that the need for internal space standards should be justified taking account of need and viability.

### **Nationally Described Space Standards**

- 8.18 On the 27th of March 2015 the Government published its “Technical Housing Standards –nationally described space standard” and updated the NPPG to reflect the policy approach set out in the written ministerial statement.
- 8.19 The Mayor of London has adopted the nationally described space standards through the Minor Alterations to the London Plan (MALP) which were published on 14 March 2016. These changes to London Plan policies are supported by evidence of need and a viability assessment as required by the WMS and the NPPG. The viability assessment supporting the MALP is summarised in the core document (SUB45) – Policy Formulation Report for Policy CH3, May 2017.

- 8.20 Policy 3.5 of the London Plan states at C. that *“LDFs should incorporate requirements for accessibility and adaptability<sup>21</sup>, minimum space standards<sup>22</sup> including those set out in Table 3.3, and water efficiency<sup>23</sup>.”*
- 8.21 Therefore, Publication Policy CH3b is considered consistent with the national policy and in general conformity with the London Plan. It does not replicate the work already carried out to adopt the Government policy in the London Plan. Whilst the London Plan is already part of the development plan, it is considered necessary to sign post the space and access standards in local policy as these issues apply to a large number of planning applications.

### Specific Housing Needs (Policy CH4)

**9. Is Policy CH4 seeking support for a range of specialist housing needs, including older people, houses in multiple occupation, student housing, self-build, hostels and supported housing justified by the evidence and consistent with national policy and the London Plan?**

- 9.1 Details of relevant legislation, national policy, evidence and alternative options considered in formulating Policy CH4 for each type of specialist housing are set out in the core document (SUB46) Policy Formulation Report for Policy CH4, May 2017. A brief summary is provided below.

#### Older People

##### National Policy

- 9.2 Paragraph 50 of the NPPF states that *“To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should: plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);”*
- 9.3 The National Planning Practice Guidance (NPPG) on Housing and Economic Development Needs Assessments provides further guidance. Paragraph 22 sets out the need for the overall housing figure to be broken down by tenure, household type (single, couples and families) and household size. On the issue of housing for older people it states that *“The need to provide housing for older people is critical given the projected increase in the number of households aged 65 and over accounts for over half of the new households (Department for Communities and Local Government Household Projections 2013). The age profile of the population can be drawn from Census data. Projection of population and households by age group should also be used. Plan makers will need to*

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<sup>21</sup> Requirements M4 (2) and M4 (3) of Schedule 1 to the Building Regulations 2010. HM Government 2015.

<sup>22</sup> Technical housing standards – nationally described space standard. DCLG 2015

<sup>23</sup> London Plan Policy 5.15

*consider the size, location and quality of dwellings needed in the future for older people in order to allow them to live independently and safely in their own home for as long as possible, or to move to more suitable accommodation if they so wish. Supporting independent living can help to reduce the costs to health and social services, and providing more options for older people to move could also free up houses that are under occupied. The future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered, enhanced sheltered, extra care, registered care) should be assessed and can be obtained from a number of online tool kits provided by the sector. The assessment should set out the level of need for residential institutions (Use Class C2). Many older people may not want or need specialist accommodation or care and may wish to stay or move to general housing that is already suitable, such as bungalows, or homes which can be adapted to meet a change in their needs. Local authorities should therefore identify particular types of general housing as part of their assessment.”*

### London Plan

- 9.4 Annex 5 of the London Plan provides indicative benchmarks on the amount of specialist accommodation needed each year for older people over the next 10 years. The benchmark for the Borough (Table 1) is set at 100 units of specialist older people provision per annum, with the majority (60%) provided for private sale. The need forecasts for specialist older people’s housing is set out in the Council’s SHMA, and is slightly lower than the London Plan benchmarks at 87 units per annum over the next ten years.

	Private Sale	Intermediate Sale	Affordable Rent	Total
<b>Indicative Borough benchmark 2015-2025 from London Plan</b>	60	20	20	100

**Table 1 of Q 9: Indicative Borough benchmark 2015-2025 from London Plan**

### Justification in evidence

- 9.5 The Council’s SHMA 2015 (SUB49) has undertaken an assessment of the need for older people as set out in the NPPF and NPPG. The SHMA sets out that in Kensington and Chelsea adults aged over 65 is the fastest growing household group with the share of those aged 65 and over increasing from 14% in 2012 to 23% in 2037, a rise from 10,900 to 20,000 in absolute terms. Whilst an ageing population is a national issue, it is notable that the projected proportion in Kensington and Chelsea is notably higher than the London projected average of 14%. This growth has implications in terms of a reduction in the economically active population,

as well as increasing health, care and housing support needs. In terms of households, the SHMA shows a projected increase of 55% from 16,750 over 65 households in 2014 to 25,938 in 2035. However, the most important trend in terms of needs is the anticipated accelerated increase in over 85 households who are most likely to need specialist accommodation. **It is recognised that the majority of older people will prefer to remain in their own home and support for this is provided in relation to new housing through requirements to meet the revised Part M Building Regulations for accessible and adaptable dwellings.** However, evidence in the London and Borough SHMA also suggest that a proportion of older Londoners are interested in a move to specialist housing where this is made available.

9.6 When looking at supply of (and demand for) specialist accommodation for older people, the SHMA restricts itself to the forms of accommodation that would be normally termed ‘housing’, including sheltered, enhanced sheltered, and extra care. It therefore excludes accommodation that primarily caters for those with care, nursing and medical needs – residential and nursing care. It is noted however that the need for residential care may be reduced if there is provision of appropriate ‘extra care’ sheltered housing.

9.7 The SHMA notes that there is no official data that summarises either social or private sector supply. The best source of data is the Elderly Accommodation Counsel statistical base. The associated SHOP (Strategic Housing for Older People Analysis Tool)<sup>24</sup> modelling tool also summarises supply. The other source of supply and demand data is the GLA-commissioned study to update earlier estimates of housing demand and supply for older persons, following the availability of Census data<sup>25</sup>. This modelling is based on the assumption that 15-20% of over 65 year olds would move if suitable accommodation existed. As can be seen from Table 2 of Q 9 below, the figures from the three sources are very similar

	Social rented sheltered	Enhanced sheltered <sup>51</sup>	Extra care	Total	Rented / affordable	Lease / for sale
EAC database	1,293		81	1,374	1,294	80
SHOP tool	1,301	5	48	1,354	1,226	80
GLA modelling	1,380			1,380	1,300	80

Sources: EAC database, SHOP tool, GLA/Three Dragons report 2014

**Table 2 of Q 9: Current supply of specialist elderly accommodation. Source: Table 9.4, SHMA 2015**

9.8 Using the SHOP (Strategic Housing for Older People Analysis) toolkit the

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<http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/?>

<sup>25</sup> Assessing potential demand for older persons housing in London, Three Dragons / Celandine Consulting /GLA, March 2014, updating The role of the planning system in delivering housing choices for older Londoners, CCHPR/ Three Dragons/Land Use Consultants / Heriot-Watt/GLA, December 2012

SHMA sets out an annual demand forecast of 87 additional units per annum between 2015-2025 (Table 9.5 of the SHMA). Table 3 of Q 9 below shows this demand broken down by type.

Type of Accommodation	Additional units pa 2015-2025
Shelterd Housing for rent	60
Sheltered Housing for ease/ownership	4
Enhanced sheltered	10
Extra care	13
<b>Total</b>	<b>87</b>

**Table 3 of Q 9: SHOP Annual Demand Forecast. Source: Table 9.5, SHMA 2015**

- 9.9 The total 87 additional units identified in the SHMA are not far from the benchmarks of 100 units in London Plan Annex 5.
- 9.10 It is clear that the Council has undertaken an assessment of need as required by national policy. The figure from the need assessment is similar to that set out in the London Plan. Therefore, Publication Policy CH4 together with Policy CH3b. which requires the ‘optional’ building regulations for accessible and adaptable dwellings will cater for the identified need for older people’s homes. The approach is clearly justified by evidence and consistent with the national policy. It is also in general conformity with the London Plan. The Mayor’s letters of general conformity (CED007 and SUB9) confirm the general conformity of the LPPR with the London Plan but do not comment on the specific issue of older people’s housing.

### **Houses in Multiple Occupation**

- 9.11 The Council’s existing policy on houses in multiple occupation (HMOs) CH2d. is not subject to the LPPR. As set out in the Publication Policies (SUB5), the Council has not proposed any changes to criterion c. of Policy CH4 but for the purposes of clarity existing Policy CH2d has been moved as a criterion in Policy CH4. The fact that there is no change is indicated by the black original text in (SUB5). The only change in relation to this issue is the introduction of a new sentence in paragraph 35.3.64 to reflect factual information in the SHMA 2015, *“The borough SHMA 2015 estimates that according to the latest Local Authority Housing Statistics (LAHS) (2013-14), there are 4,434 HMOs in the borough, amounting to nearly 16% of the private rented stock. Whilst significant this is a lower proportion than neighbouring authorities, especially when compared to the 29% that make up Hammersmith and Fulham’s private rented sector.”*

### **Student housing**

- 9.12 The national policy context on this issue is set out in paragraph 9.2 above. Core document (SUB46) Policy Formulation Report for Policy CH4, May 2017 should be referred to further details of consistency with national policy and justification by evidence.
- 9.13 The NPPG on housing and economic development needs assessments



provides further guidance on producing Strategic Housing Market Assessments (SHMAs). In terms of identifying the need for certain types of housing and the needs of different groups (paragraph 21), it states with reference to student housing that *“Local planning authorities should plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus. Student housing provided by private landlords is often a lower-cost form of housing. Encouraging more dedicated student accommodation may provide low cost housing that takes pressure off the private rented sector and increases the overall housing stock. Plan makers are encouraged to consider options which would support both the needs of the student population as well as local residents before imposing caps or restrictions on students living outside of university-provided accommodation. Plan makers should engage with universities and other higher educational establishments to better understand their student accommodation requirements.”*

- 9.14 The most significant higher education institute within the Borough is Imperial College with over 16,000 students. The Borough SHMA 2015 (SUB49) estimates that there are over 13,000 students living in the Borough of which nearly half are overseas students and a similar proportion are postgraduates. There has only been a very limited increase in the number of purpose built student accommodation units granted planning permission between 1999 and 2013 (232 units). Nearly half of the students living in the Borough are in the private rented sector.
- 9.15 There would be an additional 265 students per annum in the Borough based on London wide work done by the London Academic Forum on student housing requirements<sup>26</sup>. However, the actual demand for student housing is less clear, as it depends on the proportion of purpose built versus existing private rented sector HMOs that are required.
- 9.16 The Mayor’s Housing SPG recognises the pressure for student accommodation on a relatively small number of boroughs due to the clustering of higher education institutions in and around central London. However, it notes that student accommodation should not compromise the capacity to meet more general housing requirements. It refers to the London Plan which encourages a more dispersed distribution of student accommodation to reduce pressures on central boroughs and utilise development and regeneration potential in accessible locations outside central London.
- 9.17 The Council has undertaken an assessment of need as required by national policy. The proposed policy approach is justified by evidence and consistent with the national policy. It is also in general conformity with the London Plan. The Mayor’s letters of general conformity (CED007 and SUB9) confirm the general conformity of the LPPR with the London Plan but do not comment on the specific issue of student housing.

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<sup>26</sup> Paragraph 9.37 Borough SHMA 2015

## Self-build

- 9.18 Core document (SUB46) Policy Formulation Report for Policy CH4, May 2017 should be referred to further details of consistency with national policy and justification by evidence.
- 9.19 The Government is keen to support and encourage individuals and communities who want to build their own homes, and is taking proactive steps to stimulate the growth of the self build market. Paragraph 50 of the NPPF (quoted above in paragraph 9.2) sets out how councils should plan for the needs of different groups in the community including those who wish to build their own homes. Policy 3.8 (Housing Choice) of the London Plan also requires boroughs to make appropriate provision for custom build housing having regard to local need.
- 9.20 The SHMA 2015 (SUB49) includes an assessment of self build/ custom house building. At the time the SHMA was published the following information was available from the London-wide Self-Build Register, *“Only eight of the 747 registrants currently on the register live in RBKC. However, some 188 have expressed interest in building in RBKC. Of these, 29% say they have connections through work, 20% through family, and 40% for ‘other’ reasons. 10% (18) say their connection is through a home there (though this figure does not match the number saying they lived in RBKC).”* (paragraph 9.70)
- 9.21 The SHMA also notes at paragraph 9.72 that *“Although there is low level of demand from existing residents, there do appear to be a group of RBKC workers and those with family connections who would like homes in the authority area, and options for these should be taken into account in terms of future policy formation. The relatively substantial demand from those who appear to have no meaningful connection with RBKC should also be analysed if possible.”*
- 9.22 The density of existing development and the need to protect and enhance the historic townscape, together with very high land values throughout the Borough will significantly limit the opportunities available for self build. However, the Council recognises that such proposals will contribute to increasing the overall housing supply and if designed to a high quality can have a positive impact on the overall townscape.
- 9.23 Self build homes have the potential to make a small contribution to increasing the supply of housing in the Borough, coming forward on small sites which may not be of interest to larger developers. Policy CH4d therefore offers support for self build homes.
- 9.24 This approach is consistent with national policy and in conformity with the London Plan.

## Supported housing and Hostels

- 9.25 Core document (SUB46) Policy Formulation Report for Policy CH4, May 2017 should be referred to further details of consistency with national policy and justification by evidence.

- 9.26 In addition to meeting the needs of the Borough's growing elderly population the NPPF requires the Local Plan to meet the needs of other groups with specialist needs within the community. The groups identified by the SHMA include households with disabilities and wheelchair requirements (Policy CH3), families, students and service personnel. The type of housing that may be suitable for these groups includes sheltered accommodation, supported housing, refuges and hostels.
- 9.27 The Council will support the provision of housing to meet specialist needs where the proposed accommodation would meet an identified need as set out in the SHMA i.e. accommodation for homeless families, victims of domestic violence, and other identified groups.
- 9.28 Residential hostels within the Borough have traditionally catered for groups such as the single homeless, people who are mentally ill or disabled, women who have experienced domestic violence and students. It is recognised that the traditional type of hostel may, in some cases, no longer be the most appropriate form of accommodation and therefore the change of a hostel site to a different form of affordable housing may be appropriate.

### Gypsy and Traveller Accommodation (Policy CH6)

- 10. Is the RBKCLPPR's approach to providing for gypsy and traveller accommodation in the borough as set out in Policy CH6 and the supporting evidence base, positively prepared, justified and consistent with national policy in the NPPF and the Planning Policy for Travellers Sites? In particular:**
- a. Has the joint Gypsy and Traveller Accommodation Needs Assessment robustly and comprehensively assessed all needs arising from within the community based on the PPTS definition of gypsies and travellers?**
- 10.1 The Council has worked collaboratively with London Borough of Hammersmith and Fulham to prepare a Joint Gypsy and Traveller Accommodation Needs Assessment (GTANA) (SUB57) in accordance with the National Planning Policy Framework (NPPF) and the Planning Policy for Traveller Sites (PPTS)<sup>27</sup>. The joint work is also ongoing and collaborative in respect of identifying opportunities for accommodation. The NPPF<sup>28</sup> outlines that it should be read alongside the PPTS in respect of gypsy and traveller matters. The NPPF and PPTS only includes high level guidance in respect of assessing accommodation needs, therefore the Joint GTANA also draws on the previous (now withdrawn) DCLG Gypsy and Traveller Accommodation Needs Assessment Guidance.
- 10.2 The approach to providing for gypsy and traveller accommodation is positively prepared, justified and consistent with national policy. As explained in the table at paragraph 2.4.3 of the Policy Formulation Report

<sup>27</sup> PPTS paragraphs 4a), 4b), 7b), 7c) 9 and 9c)

<sup>28</sup> National Planning Policy Framework, Paragraph 4.

(SUB48) needs have been assessed applying the PPTS definition (see also paragraphs 10.11 to 10.18 below), this is justified given the alternative which is not to apply the PPTS definition. It is effective as it capable of being delivered over the plan period and based on joint collaborative ongoing working.

10.3 Paragraph 11 of the PPTS states that:

*“Criteria should be set to guide land supply allocations where there is identified need. Where there is no identified need, criteria-based policies should be included to provide a basis for decisions in case applications nevertheless come forward. Criteria based policies should be fair and should facilitate the traditional and nomadic life of travellers while respecting the interests of the settled community.”*

10.4 The Council has identified a need in the Joint GTANA and has included criteria within the Policy CH6, consistent with guidance in the PPTS. The criteria has been positively prepared, with direct involvement with gypsy and traveller community, which seeks to meet the assessed need and the Council has already begun to address this (see paragraph 10.32 to 10.34 below).

10.5 The purpose of the Joint GTANA is to provide robust up-to date evidence on accommodation need<sup>29</sup> that complies with national policy context. The Joint GTANA has been carried out in line with the PPTS using both primary and secondary data sources (SUB 57, Section 3). The Joint GTANA justifies the approach taken as regards to gypsy and travellers.

10.6 Please note that the London Borough of Hammersmith and Fulham (the authority with whom RBKC undertook the work with) Local Plan examination has considered the Joint GTANA as part of LBHF Policy HO10 – Gypsy and Traveller Accommodation. Their policy identifies working closely with RBKC and future applications within their area being assessed against requirements in the Planning Policy for Traveller Sites. The Inspector has found their policy, with proposed modifications, and the Joint GTANA sound. The Inspector comments *“The Council has addressed the accommodation needs of gypsy, travellers and travelling showpeople in partnership with the Royal Borough of Kensington and Chelsea. The Councils have produced a Joint Gypsy and Traveller Accommodation Needs Assessment (GTANA) which has been supplemented by evidence clarifying the approach towards travelling showpeople. **This approach appears robust.**”* Therefore, the Inspector has concluded that it is a robust and comprehensive assessment of needs arising within the community based on the PPTS definition gypsies and travellers by referencing the Joint GTANA need figure.

10.7 The PPTS Policy A provides advice on using evidence to plan positively and manage development. This is addressed in paragraphs 3.50<sup>30</sup> and

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<sup>29</sup> PPTS paragraph 7c)

<sup>30</sup> In respect of PPTS Paragraph 7b)

3.54 to 3.56<sup>31</sup> of the Joint GTANA. The Council undertook two surveys and consulted the London Gypsy and Traveller Unit on these to ensure maximum engagement. The gypsy and traveller community were engaged prior to the surveys and throughout the production of the Joint GTANA by communication via the RBKC Gypsy and Traveller Community Development Manager/Liaison Officer and Stable Way Site Manager, engagement events and post completion of the Joint GTANA in respect of its findings and the emerging RBKC LPPR policy wording. The Draft Joint GTANA was published alongside the Council's Issues and Options Consultation.

### **PPTS definition**

- 10.8 Annex 1 of the PPTS provides the Government's definition of gypsy and Travellers for the purposes of undertaking needs assessments:

*"1. For the purposes of this planning policy "gypsies and travellers" means: Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family's or dependants' educational or health needs or old age have ceased to travel temporarily, but excluding members of an organised group of travelling showpeople or circus people travelling together as such.*

*2. In determining whether persons are "gypsies and travellers" for the purposes of this planning policy, consideration should be given to the following issues amongst other relevant matters:*

*a) whether they previously led a nomadic habit of life*

*b) the reasons for ceasing their nomadic habit of life*

*c) whether there is an intention of living a nomadic habit of life in the future, and if so, how soon and in what circumstances"*

- 10.9 The definition has been applied to robustly and comprehensively assess all needs arising from the gypsy and traveller community. The methodology for assessing needs is set out in section 3 of the Joint GTANA(SUB57).
- 10.10 This Joint GTANA uses a population-based 'supply and demand' model to assess accommodation need for Gypsies and Travellers. 'Primary' and 'Secondary' data has been used to understand the requirements for both boroughs. In terms of primary data, surveys and consultation with the existing community on the Stable Way site have been undertaken at various stages of the process. The findings of the initial survey are detailed between paragraph 3.58 and 3.67.
- 10.11 There is only one gypsy and traveller site in the Borough, currently comprising 20 pitches of which 1 is taken up by an onsite community facility called "The Hut" centre. The site is joint responsibility of RBKC and LBHF as it previously was within the administrative boundary of LBHF until a boundary change in 1995 which meant that the site now falls within the

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<sup>31</sup> In respect of PPTS Paragraph 7a)

## jurisdiction of RBKC

- 10.12 Following the PPTS update (August 2015) and the Housing and Planning Act reaching Royal Assent (12 May 2016), a further survey was prepared and undertaken to assess accommodation needs based upon the amended PPTS planning definition of a Traveller. Surveys were undertaken as both authorities considered this a comprehensive way to collect data from the gypsy and traveller community. The findings from the primary and secondary data have been used to derive the overall accommodation need. Taking into account national and regional Government guidance and best practice, this Joint GTANA uses a 'supply and demand' model which works by taking account of:
- Overcrowding;
  - People moving into and out of bricks and mortar houses;
  - Caravans on existing long term tolerated sites and authorised pitches;
  - Housing needs records;
  - Numbers of young people of family forming age to give a figure for newly forming households, then adjusting that figure to take account of moves off the site into houses and on to existing family pitches; and
  - Turnover of pitches
- 10.13 The model builds on the findings from the Joint GTANA survey and identifies supply and demand to provide a net figure of assessed and projected need. The methodology calculates the current supply of pitches then assesses the demand for pitches.
- 10.14 The Supplementary Survey sought information relating to the three considerations set out in PPTS Annex 1. The Joint GTANA considered the following factors necessary to identify those, on the basis of the PPTS definition, that have ceased to travel permanently or temporarily; the patterns and reasons of travel (previously or current); whether the reasons for ceasing to travel relate to educational, health or old age needs of those in the family unit; and, whether there is an indication that they may travel again in the future (SUB57, paragraphs 3.72 to 3.77). The Joint GTANA applies the PPTS definition<sup>32</sup>. Figure 3.20 of the Joint GTANA presents the required pitches across RBKC and LBHF for all self-identified need as well as those falling within the PPTS planning definition, a comparison of the model results is set out at figure 3.19 and 3.20. Proposed Modification MINOR/067 clarifies that the needs have been assessed using the PPTS definition<sup>33</sup>.

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<sup>32</sup> PPTS Annex 1, paragraphs 1 and 2

<sup>33</sup> [https://planningconsult.rbkc.gov.uk/gf2.ti/f/799106/26650245.1/PDF/-/170428Proposed\\_Mods\\_ALL\\_CONSOLIDATED.pdf](https://planningconsult.rbkc.gov.uk/gf2.ti/f/799106/26650245.1/PDF/-/170428Proposed_Mods_ALL_CONSOLIDATED.pdf)

## Unauthorised sites

- 10.15 Paragraphs 3.25-3.26 of the Joint GTANA (SUB57) set out how the Councils have taken into account unauthorised sites in the assessment of need<sup>34</sup>. The Joint GTANA concludes there is only one recorded incident, dealt with by the Special Parks Police in LBHF in 2013. As this was a single incident and no further incidents have occurred since, it was considered that this did not signify a trend or pattern of unauthorised encampments.
- 10.16 The DCLG Caravan Counts were also reviewed which also did not indicate a pattern of unauthorised incidences. The Council is however aware of an area of land known as 'The Triangle' adjacent to Stable Way that has a history of being used by a Traveller for a variety of potentially unauthorised uses from commercial to residential use. However, the full range of uses is unconfirmed. There are, however, no planning enforcement records associated with this. The freehold of the land is held by Transport for London and is subject to a tier of leases. Survey responses were received in relation to this land and as explained at paragraph 3.58 and 3.59 of the Joint GTANA, this features in the supply and demand model and can be seen in figures 3.17, row 9 and in both the self-identified need as well as the need of those falling within the PPTS planning definition as shown in figure 3.19.

## Bricks and Mortar

- 10.17 In respect of identifying future needs from Gypsies and Travellers living in bricks and mortar the Joint GTANA utilised a wide range of data sources to inform the overall assessment which includes the Stable Way waiting list and Council housing register. Details are set out in figures 3.1 to 3.3 of the Joint GTANA details the policy guidance and the data sources the assessment has considered. This includes the housing register and the site waiting list. Paragraph 3.48 details what the information showed. Paragraphs 3.58 and 3.59 confirms that bricks and mortar needs have been included in the assessment. Figure 3.19 of the Joint GTANA includes households who live in bricks and mortar and wish to move back onto a pitch.
- 10.18 The Council took a proportionate approach, as per paragraph 182 of the NPPF<sup>35</sup> and sought to contact those living in bricks and mortar through the existing known traveller population, the Stable Way Site Manager and the Council's Gypsy and Traveller Community Development Manager/Liaison Officer. Two responses were received from those in bricks and mortar accommodation which feature in the Joint GTANA at figure 3.17, row 11, in figure 3.19 and the accommodation needs table, figure 3.20. Those who wished for their needs to be considered as part of the Joint GTANA were incorporated into the survey results.

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<sup>34</sup> PPTS Paragraph 4f) states that plan-making and decision taking should aim to reduce the number of unauthorised developments and encampments and make enforcement more effective.

<sup>35</sup> NPPF Paragraph 182 state that "the plan should be most appropriate, when considered against the reasonable alternatives, **based on proportionate evidence** [emphasis added]

## Migration

- 10.19 The Councils (RBKC and LBHF) sought to identify migration through the use of Census information however, there is a lack of data on traveller movements. The GTANA also considered enforcement records to identify whether there are any migration trends; these sources do not indicate there are any long term migration trends/patterns in the area.
- 10.20 The Council reviewed the Stable Way waiting list to determine whether there was a demand for pitches in the Borough from gypsy and travellers who live outside of the Borough (paragraphs 3.47 and 3.48). The stable way waiting list did not indicate a migration trend or desire of gypsy and travellers wanting to move to the Borough. Those on the waiting list are existing site residents whose needs have been assessed through the Joint GTANA surveys and onsite engagement.
- 10.21 The Councils' respective Housing departments were also involved to understand where households had moved from and to. The Councils contacted the Housing Allocations and Council Tax records teams to understand where households had moved from and to. These records do not necessarily identify all information, for example their previous address, however, where there was available information this has been included in the Joint GTANA (Page 18).
- 10.22 The Draft Joint GTANA and final Joint GTANA have been subject to borough wide consultation as part of various stages of the Local Plan Partial Review. The RBKC Local Plan Consultation included gypsy and traveller representative groups, including the London Gypsy and Traveller Unit and National Federation of Gypsy Liaison Groups. The Councils contacted and discussed their approach with the London Gypsy and Traveller Unit. No issues were raised with the methodology or approach. Overall, we are satisfied that all reasonable possibilities were pursued and that any household that wanted its views taken into account was given the opportunity to participate.
- 10.23 Therefore, the Joint GTANA has robustly and comprehensively assessed all needs arising from within the gypsy and traveller community based on the PPTS definition.

**b. Has the duty to co-operate been employed sufficiently widely in the search for additional pitches?**

- 10.24 Section 33A of the Planning and Compulsory Purchase Act 2004 requires, in particular, a duty to “engage constructively, actively and on an ongoing basis” in relation to “maximising the effectiveness” of, and having “regard to”, activities. concerned with supporting or preparing planning policies “so far as relating to a strategic matter”.
- 10.25 Stable Way has a shared history for both authorities in that it was once within the administrative boundary of LBHF up until a boundary change in



- 1995 and is now with the administrative boundary of RBKC. Site management is also jointly funded by both Councils. Due to the site's location in the Borough, which is directly adjacent to the boundary with LBHF, and the fact that it is jointly managed, the Council has worked directly and jointly with LBHF to establish joint needs in the Joint Gypsy and Traveller Accommodation Needs Assessment, December 2016 (GTANA) (SUB57).
- 10.26 Following surveys and consultation with the gypsy and traveller community in Stable Way, the Councils (RBKC and LBHF) consider that working within too wide a catchment will not effectively meet the needs of the gypsy and traveller community as they are likely to stay in proximity to their communities' networks.
- 10.27 The Council has taken a proactive and leading role in seeking to make provision by preparing and agreeing a Site Appraisal Study: Joint Methodology, May 2017 (SUB58) with LBHF. This sets out a consistent approach to identifying and establishing opportunities to meet accommodation needs of the gypsy and traveller community as identified in the Joint GTANA and to appraising sites.
- 10.28 The Site Appraisal Study: Joint Methodology (SUB58) is a continuation of the Joint GTANA (SUB57) developed in order to identify opportunities in both boroughs for the provision of additional accommodation. As part of the Joint GTANA surveys, the gypsy and traveller community were also asked to identify land that they were aware of that could be suitable for gypsy and traveller accommodation. Sites were suggested within both boroughs.
- 10.29 The Council has followed through the methodology in its own Site Appraisal Study, May 2017 (SUB59) which identifies potential opportunities for the provision of additional pitches in the Borough.
- 10.30 In terms of RBKC the Site Appraisal Study establishes that currently there is one site with opportunity for 2 additional pitches to be delivered. There may be additional sites, however these are being explored by Transport for London and will need to go through a Mayoral Opinion process.
- 10.31 LBHF acknowledge in their response to their Local Plan Inspector's Questions on Housing<sup>36</sup> that there may be further sites available in their Borough and that the Council will pursue a site search in order to assess these sites against the agreed methodology. LBHF have commenced this work for land in their borough, however it is not yet complete.
- 10.32 This Council has made other London boroughs aware of joint work through the London Gypsy and Traveller Officers Forum and through local plan consultation responses. In addition, RBKC and LBHF have made OPDC aware of the Joint GTANA findings, Joint Site Appraisal Methodology and ongoing work on appraising sites through OPDC project meetings and responses to OPDC Local Plan consultations.

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<sup>36</sup> LBHF written Statement: Housing, Question 20. - [https://www.lbhf.gov.uk/sites/default/files/section\\_attachments/issue\\_3\\_housing.pdf](https://www.lbhf.gov.uk/sites/default/files/section_attachments/issue_3_housing.pdf)

**c. How will future sites be brought forward to address the identified shortfall in the need for pitches?**

10.33 As outlined above, RBKC and LBHF have prepared and agreed a Site Appraisal Study: Joint Methodology (SUB58) to appraise sites to meet the accommodation needs of the gypsy and traveller community as set out in the Joint GTANA. This Council has undertaken its own Site Appraisal Study (SUB59), and LBHF have commenced theirs.

10.34 Paragraph 12 of the PPTS states that:

*“In exceptional cases, where a local planning authority is burdened by a large-scale unauthorised site that has significantly increased their need, and their area is subject to strict and special planning constraints, then there is no assumption that the local planning authority is required to plan to meet their traveller site needs in full.”*

10.35 Whilst the Borough does not contain a large scale unauthorised site the Council is aware that the Borough is severely constrained with a uniquely dense built environment and lack of sites for development. The Borough is subject to strict and special planning constraints with regard to the extensive coverage of Conservation Areas (about 73% of the Borough) and other constraints, such as a large number of Listed Buildings. It is also severely constrained by the limited opportunities available for large site development and high land values.

10.36 As part of the LBHF Local Plan Examination the Councils agreed a Strategy for Identification of Pitches to meet Gypsy and Traveller Need<sup>37</sup>. The strategy sets out a process of completing the site appraisal work, meetings between the Councils to share findings, preparation of an Options Paper and briefing Members.

10.37 In the LBHF Local Plan Inspector considered this an acceptable pragmatic approach in his report<sup>38</sup>:

*“The Councils rely primarily on one existing site (Stable Way) to meet the identified needs of the gypsy and traveller communities. The Joint GTANA indicates that 3 additional pitches are required over the first 5 years of the Plan and 9 in total. At present Hammersmith and Fulham Borough Council has not been able to identify how this need will be met, so as far as it affects its interests, which is not in accordance with national policy. However, the Council has identified a clear strategy<sup>4</sup> to address the issue which will involve a site appraisal study and the production of an options paper with the intention of having a suitable*

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<sup>37</sup> LBHF Local Plan Examination EX4: Strategy for identification of pitches to meet Gypsy and Traveller Need-  
[https://www.lbhf.gov.uk/sites/default/files/section\\_attachments/ex24\\_post\\_hearing\\_gypsy\\_and\\_traveller\\_strategy.pdf](https://www.lbhf.gov.uk/sites/default/files/section_attachments/ex24_post_hearing_gypsy_and_traveller_strategy.pdf)

<sup>38</sup>LBHF Local Plan Inspector's Report, paragraph 40 -  
[https://www.lbhf.gov.uk/sites/default/files/section\\_attachments/appendix\\_4\\_-\\_inspectors\\_report.pdf](https://www.lbhf.gov.uk/sites/default/files/section_attachments/appendix_4_-_inspectors_report.pdf)

*land supply identified during 2018 to meet the needs. I consider this pragmatic approach is acceptable.”* (emphasis added)

- 10.38 Whilst there has been some slippage in respect of the timescales set out in the document, the Council met with LBHF in October 2017 and December 2017 and is reassured that work has now commenced on the LBHF site appraisal work.
- 10.39 The Council proposes to reflect the agreed strategy in the LPPR through additional proposed modification to paragraph 35.3.89 (Please see Further Proposed Modifications 2 CED009). This is to explain how sites will be brought forward.