By email via the Programme Officer

Dear Mr Wade,

**Examination of Royal Borough of Kensington and Chelsea Local Plan Partial Review**

Following the close of the examination hearings on 16 March 2018 and my consideration of the Council’s further proposed modifications and those discussed at the hearings, I am writing to set out the next steps for the examination of the Royal Borough of Kensington and Chelsea Local Plan Partial Review (LPPR).

At this stage, based on all that I have read, heard and seen to date, it is my view that the LPPR is unsound as currently drafted and will require main modifications to make it sound. The main modifications should include those proposed by the Council in Sub 6 submitted with the LPPR in May 2017 and in the further proposed modifications CED004 and CED009 submitted in October 2017 and February 2018 respectively, together with the main modifications which were discussed at the hearings.

In addition, there are two main issues to which I indicated I would give further consideration following the hearings, concerning estate regeneration and housing land supply.

**Estate Regeneration**

In response to the tragic fire at Grenfell Tower on 14 June 2017, the Council decided to end estate regeneration projects in the borough and confirmed that any future such projects would be co-designed in conjunction with local residents. Accordingly, main modifications have been proposed by the Council to delete the three estate regeneration sites at the Silchester, Barlby-Treverton and Warwick Road estates from the Plan, together with the whole of the place vision for the Latimer area in North Kensington and the new Estate Regeneration Policy CH5, and to include a commitment to co-design future projects for the estates in conjunction with local residents. I confirm my initial view that these modifications are necessary to make the LPPR sound, to ensure it is justified and effective, given the Council’s decision to
end estate regeneration and that as a result the Plan cannot rely on these three sites to deliver an increase in the housing land supply.

It is not ideal that the Latimer area would be left without a vision and place specific principles and priorities to steer development management decisions. However, this is a necessary and proportionate consequential modification to the Plan following the decision to end estate regeneration, given that the Silchester Estates site allocation formed the key proposal in the area and the Grenfell Tower is located within Latimer. It would ensure that the LPPR does not pre-judge the outcome of the co-design process for the Latimer area. The Council has committed to bringing forward an early review of the Plan to be adopted within 3 years of the adoption of the LPPR, which should, amongst other things, ensure the Latimer area is not left without a clear spatial vision for any longer than is necessary. There are sufficient other policies in the Plan against which any applications which might be submitted for development in the Latimer area can be determined in the interim. However, I confirm that the commitment to an early review of the Plan should be included as a main modification.

A number of other consequential modifications to the Plan were also discussed at the hearings. These include further wording changes to the Plan’s overall vision in CV1 and elsewhere to avoid the use of the term ‘regeneration’ in the context of housing and estates due to its connection with previous strategies for these estates. These changes are necessary to ensure the Plan is clear and effective and therefore should be incorporated into the proposed main modifications.

I have given very careful consideration to the request made by Grenfell United, the Grenfell Action Group and the Silchester Residents Association that the Plan should be withdrawn in its entirety and re-written to signal a new approach to the development of the borough following the Grenfell Tower fire. However, whilst the withdrawal of the Latimer vision and the estate regeneration schemes from the Plan are a necessary and proportionate response, in my view the withdrawal of the Plan as a whole would not be justified for the following reasons. This is a partial review of the Consolidated Local Plan (CLP) and the extant policies of the Unitary Development Plan (UDP). These plans are not before me for examination. Therefore, to withdraw the LPPR in its entirety at this stage would leave the existing CLP and UDP in place, but the borough would be without an up to date local plan, notably in respect of policies for strategic site allocations, housing, business uses and town centres. Given the competing pressures for development in Kensington and Chelsea, there is a need for the Plan to support the delivery of new homes and guide strategic development at places such as Kensal Canalside, Earl’s Court and Lots Road. There is also a need for revised policies to maintain the vitality and viability of the borough’s town centres, secure affordable housing, ensure a balance between residential, commercial and cultural uses in the borough, manage waste and mitigate the environmental impacts of future development.

I acknowledge the concerns of the Grenfell Action Group and Grenfell United that the Plan was prepared in a period before the Grenfell Tower fire and that it should now reflect a change in approach. However, the proposed modifications to the Plan would reflect the Council’s commitment to a new co-designed approach to the borough’s estates and a shift away from ‘estate
regeneration’. They would also include a commitment to an early review of the Plan, to be completed within 3 years of the adoption of the LPPR, which would afford the opportunity for the Council to review the Plan as a whole, if necessary.

I also understand the concerns which have been expressed about consultation with local residents on the LPPR, particularly those affected by the estate regeneration proposals, and whether the views of local residents were properly considered by the Council. Part of the remit of this examination is to assess whether the Plan has been prepared in accordance with the Regulations governing consultation on development plans. I have not found evidence that the Council has failed to comply with the statutory requirements in this respect. From the evidence and representations before me, it is clear that the Plan preparation process and the examination has consulted with and heard from individual local residents and residents groups from the affected estates, and from community organisations representing residents from across the borough. In particular, the consultation schedules contained in the Regulation 22 Statement (Sub 7) indicate that the Council has taken into account the representations made in drawing up the Plan, as required by Regulation 18. Furthermore, the co-design process as outlined by the Council would provide the potential for a more inclusive consultation process in future for projects within the estates.

Ultimately, it remains for the Council to decide at this stage, in the light of the representations which have been made by the Grenfell Action Group, Grenfell United and the Silchester Residents Association, whether to proceed with the LPPR or to withdraw it pending a fuller review. However, should the Council decide to proceed, I confirm that this could only be on the basis of the withdrawal of the current estate regeneration proposals and the commitments to co-design and an early review of the Plan as proposed and the range of consequential modifications discussed above.

Finally, I am aware that there is a separate intervention request to the Secretary of State from Grenfell United under S21(9) of the Planning and Compulsory Purchase Act 2004, seeking the withdrawal of the whole Plan, which was submitted before the examination hearings. However, a decision to intervene is one for the Secretary of State to determine.

**Housing Land Supply**

The current London Plan (March 2016) sets a housing requirement for the borough of a minimum of 733 dwellings per annum (dpa) from 2015-2025. The Plan seeks to meet and exceed this target in Policies CP1 and CH1. In advance of the hearings, the Council’s evidence sought to demonstrate a 5 year housing land supply totalling 4,410 dwellings against a 5 year requirement of 4,398 dwellings. However, the Council’s calculation of the 5 year housing requirement did not include the backlog of under delivery against the housing requirement since the beginning of the Plan period in 2015. When this is added into the 5 year housing requirement to be met over the first 5 years of the plan period and with a 20% buffer for persistent under delivery, the Council is unable to demonstrate a 5 year supply. This was acknowledged by the Council in discussion at the examination hearings.

In response, following the hearings, the Council submitted a supplementary statement on the 5 year housing land supply and housing trajectory (EX024),
which sets out an alternative approach to the calculation of the 5 year housing requirement. Firstly, it proposes that the undersupply in housing from 2015-2017 should be dealt with over the remainder of the plan period (the ‘Liverpool’ approach) rather than over the first 5 years (the ‘Sedgefield’ approach). Secondly, it proposes to adopt a 5% buffer rather than a 20% buffer.

The Council argues that this approach is justified given the unique circumstances of the borough and this Partial Review. In particular:

a) the limited capacity for additional housing in the borough, reduced by the loss of the estate regeneration sites, and now recognised in the latest London SHLAA 2017 as being well below the current London Plan target;

b) the constraints of the historic environment of the borough with around 80% of its area covered by conservation areas, which limits opportunities for additional homes through redevelopment at higher densities; and

c) the need to protect the range and supply of commercial, cultural and community uses in the borough, which are critical to supporting local communities and London’s economy, but which limits the supply of homes from conversions and changes of use.

Given the significance of this issue and its implications for decision making in the borough, I invited comments on the supplementary statement from interested parties. I received responses from the Greater London Authority, the Home Builders Federation and the Kensington Society, which I have taken into account in reaching my provisional conclusion on this issue.

I have considered the consistency of this approach with national policy. It has been acknowledged that the borough has a backlog against its current target since 2015. It could also be argued that there has been a persistent record of under delivery against the borough’s housing requirements based on the record of completions from 2010-2017. In these circumstances paragraph 47 of the NPPF does expect that local planning authorities should add a buffer of 20% to the 5 year housing supply. However, the purpose of the 20% buffer is to provide a realistic prospect of achieving the planned supply by bringing sites forward from later in the plan period.

In the case of Kensington and Chelsea, there is no realistic or reasonable additional supply that could be brought forward from later in the plan period. The allocated supply in years 6-12 of the trajectory essentially relies on 2 strategic sites, Kensal Canalside and Earl’s Court, which require significant infrastructure before they can start to deliver housing. The remainder of the supply will largely come from the annual windfall allowances for small sites and vacant units coming back into use. There is no evidence to suggest that this supply or any part of it could be brought forward to boost delivery in the first 5 years of the plan period. There is little evidence before the examination of other ‘omission’ sites which could be included to boost the supply in the first 5 years of the plan period.

Given the constraints on the borough’s housing supply and without a supply of sites that could be brought forward, the application of a 20% buffer would do little to improve the prospects of achieving the housing requirement. Rather it would potentially undermine the policies for the protection of commercial, cultural and community uses in the borough.
For these reasons, my provisional conclusion is that a 5% buffer should be applied in Kensington and Chelsea for the purposes of the LPPR. I am satisfied that this would be justified in the unique circumstances of Kensington and Chelsea and this Partial Review. The use of the 'Liverpool' approach to meeting the backlog would also better reflect the trajectory for the delivery of sites in the housing land supply. Accordingly, modifications to the Plan to reflect these changes should be incorporated into the proposed main modifications.

With regard to the plan period, although the housing target runs from 2015 rolled forward to the end of the plan period in 2028, it reads in the further proposed modifications in EX024 as running from 2017 for a 12 year period. This is confusing. As I understand the Council's response to my initial question Q3 in CED001, the plan period is intended to run from 2015-2028, which lines up with the start point for the London Plan housing target, the end point of the current Consolidated Local Plan of which this is a partial review, the end point of the Royal Borough Vision to 2028 and the floorspace projections for office and retail. The plan period and the housing target should be clearly stated as running from 2015-2028. This needs to be clarified in the chapters on the Spatial Strategy (1) and Diversity of Housing (35) and in the Housing Trajectory. The Council should include modifications to this effect in the proposed main modifications.

Next Steps

Should the Council decide to proceed with the LPPR at this stage, all of the above modifications to the Plan should be set out in a consolidated set of proposed main modifications and published for public consultation for a minimum 6-week period. The Council will also need to undertake any further SA work, insofar as this is necessary in line with the Regulations, to be published alongside the proposed main modifications. I will need to see these documents in their final form before they are published for consultation.

I should emphasise to all parties that at this stage the examination is not yet concluded. The views in this letter are interim and without prejudice to my final conclusions on the LPPR, which will be set out in my final report once I have considered responses to the consultation on proposed main modifications, should the Council decide to proceed with these.

I note that the Council intends to undertake additional or minor modifications to the LPPR. As these are not a matter for the Examination, they should be published in a separate schedule to the main modifications.

I would be grateful if the Council would arrange for this letter to be added to the examination website as soon as possible. To be clear I am not inviting or proposing to accept comments on or responses to this letter from any other examination participants. However, there will be a chance to comment on any proposed main modifications when these are published.

Yours sincerely,

Mike Hayden

INSPECTOR