

# **Written Submission from LSE London (London School of Economics, ID845) on Matter M11 for consideration in the Examination in Public of the New London Plan, 2019**

## **1. Introduction and Structure of the Submission**

This submission addresses the second of two related Matters in which the Panel raise questions about whether, as the Plan proposes, the vast majority of London's development needs should be met within London, and (more specifically) through intensification of existing built-up areas there, or whether some of it should and could be better be achieved by accommodating some of the growth elsewhere in the Wider South East (M10) and/or through review of Green Belt within London (M11).

We have formally separated these, as required, though there is a common element to the two questions in terms of how far (and on what terms) the strategy of sustained intensification within London can actually meet London's projected development needs (section 2 in each).

This submission follows on from the one we have made under M1 on the treatment of alternative spatial strategies in the IIA (and by implication in development of the Plan itself), which was very critical of a one-eyed focus on 'sustainable intensification', and the failure to follow up on reports of the FALP Inspector and of the Outer London Commission indicating a need to look wider in order to address the serious (housing) delivery gap evident in the previous series of 'compact city'-based Plans. We try to avoid duplicating relevant material from that submission in the present one (by cross-referencing). Similarly, though a crucial issue for the first part of our submission these two Matters (M10 and M11) is how the 2017 SHLAA evidence on residential development *capacity* is to be understood in relation to this delivery gap, we defer detailed consideration of this question until our submission on M19 (housing supply and targets), referencing forwards where necessary to that (forthcoming) submission.

## **2. The Adequacy of Sustained Intensification as a Strategy for Delivering on London's Housing Needs**

As is well known, the New Plan embodies 'capacity'-based estimates of future housing supply within London during the Plan period which are remarkably close to its estimates of future housing need, but very greatly in excess of what has been achieved over any period under past Plans. There is clear scope for debate about the bases on which the estimates of need (growth) have been made – both in relation to oscillating national projections of household growth and of how past backlog in meeting needs in London specifically should be met. For the purposes of this submission, however, these are of lesser importance than the consistently large gap evident through the Mayoral era between the additional supply that capacity-based measures promise and the much lower achieved levels of new dwelling completion or net additions to the housing stock. We shall discuss the numbers quite closely in our submission on M19, but for present purposes it is sufficient to note that (though net additions have been boosted very recently by exceptional levels of office conversions under PD) dwelling completions in London have fluctuated around 25 thousand p.a. since 2004, with no sign of a trend, which is vastly below the Plan/SHLAA 's capacity-based estimates of increases of 65 thousand p.a.- and also far short of any of the rival estimates of need growth. That is the delivery gap which has to be overcome if this Plan is to work any better than the earlier ones

And, despite a new name, heightened resolve and several sophistications made to the policy, the 'sustainable intensification strategy of this Plan embodies essentially the same ingredients as its 'compact city' predecessors. Whether we have evidence that the (genuinely) new features will actually make much difference will be considered in some detail in our submission on M19 – but the basic answer is 'not really' - which seems also to be message of the passage from the revised Housing Strategy cited in our M1 submission. The Plan itself seems remarkably uninterested in this fundamental question, focusing entirely on whether within standard NPPF conventions supply 'capacity' is in balance with predicted 'need' changes. That really seems a gross evasion of the real housing issues facing Londoners – but serves to suggest that the sustained intensification strategy is adequate on its own, without need to engage with questions about Green Belt or means of active collaboration with other WSE planning authorities.

In developing the Plan some serious attention should have been given to the delivery gap, and specifically to *why* neither:

- the successful build-up of a very large development pipeline during the course of London Plans (with an assessed potential for some 250 thousand potential dwellings) ; nor
- a massive intensification of residential development, with new site densities in London increasing by some 150% since 2000

has secured substantial increases in the rate of housing completions.

A plausible basic answer is that with long term expectations of an increasingly tight land market across the tightly constrained WSE (as a whole), it makes little financial sense for large site owners to have them developed too fast. The argument in relation to densities is discussed in more depth, with evidence, in our submission under Matter M39, but the relevant fact is that with much higher permitted densities, developers/owners of large sites have been able to secure the same flow of housing (and thus cash flow) from release of a smaller amount of land, with a likelihood also that infrastructure and remediation requirements for other land within their 'capacity' can be advantageously deferred.

But whatever the full explanation, it is a mistake to assume that pushing *intensification* harder and for still higher densities will eventually produce the required rate of housing delivery. If targets are to be met (or approached) it is clear that the *extensive* dimension has to play a substantial part, in terms of opening up more sites beyond the margins of London's own built up area, within the London Green Belt and/or other parts of the Wider South East (WSE).

### **3. The Acceptable Development Potential of Metropolitan Open Space and Green Belt land within London**

As noted in our submission on the inadequate treatment of spatial alternatives within the IIA, no data are available from Plan work on how much additional land might realistically be released from Green Belt/MoSp status for residential development if that option were pursued. The GLA/IIA answer<sup>1</sup> to those (half dozen) critics of the draft IIA who sought a more active investigation of this question was that:

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<sup>1</sup> Arup (2018) London Plan: Integrated Impact Assessment – post-consultation addendum report, GLA, July 2018, spatial option 4.1 [the word 'assessments' is omitted in 5 of the 6 repetitions of this response]. As with other aspects of the IIA there is an ambiguity about whose responses these actually are, but this one is evidently that of the GLA, relayed by the IIA team.

while the 'social and environmental appraisals are (recognised to be) inconclusive without borough-level Green Belt assessments, .. sustainable intensification is still considered to be the preferred option'.

With the two-part explanation that:

'The GLA does not possess the powers to amend Green Belt boundaries through the London Plan and Green Belt boundaries may only be designated at a borough-level. Additionally, the National Planning Policy Framework (NPPF) and Draft Revised NPPF (March 2018) outline the importance of Green Belt land and require all other reasonable options to be considered, including the use of brownfield and underutilised land and optimising the density of development'; and

'Sustainable intensification uses small sites, co-location, town centres, opportunity areas and publically owned land within London to meet London's development needs without Green Belt Release';

concluding that

'The preferred option does not prevent London boroughs from undertaking Green Belt assessments, but rather emphasises the GLA's preference towards intensification and long term Green Belt protection, in line with the NPPF'

Our assessment above (followed up in later submissions) makes it clear that the second part of this explanation is quite false – at least if 'to meet' means 'to meet completely', which would be the relevant assertion. It simply has not been shown that the sustainable intensification strategy will (more than half fully) meet London' residential development needs – only that if assessed capacity were built out at the rate which planners expect (against the experience of previous Plans) that those needs could be met.

The other part of the explanation is rather better grounded, in that the GLA clearly lacks the powers to amend Green Belt boundaries, and that the right to review rests with local planning authorities. This is common knowledge, and was very clearly understood by the Outer London Commission who (in their 7<sup>th</sup> report on accommodating growth) saw this selective release of London Green Belt land as a potentially important contributor to accommodating growth, which this Plan could provide a strategic contribution to.

Specifically – having drawn on careful advice from City Hall – the OLC argued that

'(while) a number of Green Belt reviews have already been undertaken within and around London (this has not been generally in a coordinated way. Given this ... there should be a comprehensive review of the London Green Belt to assess how it addresses national policy principles in the unique circumstances of the city and in terms of London's anticipated growth. It recognises that national policy makes such reviews a local matter and it therefore suggests that the London Plan should provide a strategic methodology/principles to coordinate such local reviews on a consistent basis. This could take into account 'London specific' factors such as Growth Corridors, the Plan's emphasis on land use/transport integration and its distinct approaches to housing density and environmental quality'.

It suggested that the Mayor might have powers to take a lead in concerting this activity, maybe on the basis of section 30 of the GLA Act, but that in any case the Plan could very appropriately propose criteria and a framework within which borough-based reviews could be undertaken.

The underlying case for some form of strategic review – as reported in the 21<sup>st</sup> Century Green Belt report which LSE London co-ordinated<sup>2</sup> - rests on three pillars:

- the inadequacy of intensification alone as a strategy for securing the desired/required level of housing completions within London;
- the fact that Green Belt and MOL account for almost a quarter of London's land area, with a substantial part of that being land of relatively poor environmental quality, lacking in public access and irrelevant to the separation of town from country; and
- the undesirability of purely opportunistic, ad hoc, piecemeal removal of sites, without attention to the coherence of the areas opened up in this way, safeguarding of core Green Belt areas, and maintenance of public confidence in the long term security and enhancement of a London Green Belt.

We note that the GLA 'preference' for intensification over selective use of Green Belt land is not buttressed by any substantial empirical evidence in the IIA or Plan, but as it says a matter of preference and a judgement about the balance of opinion among Londoners. The issue is too important to be addressed on this slender subjective and political basis, and without any regard for its strategic significance, e.g. in relation to the growth corridors which London Plans have consistently treated as a significant strategic element.

#### **4. Relation to other Spatial Options**

While strategically managed Green Belt release could make an important contribution to boosting housing delivery in London, it would not obviate the need to pursue intensification also. There is a neglected equity issue to be considered in the balance between the two as to who (and which social classes) get their local environment curtailed or protected under these two strategies.

And, in relation to the potential of collaboration on development sites outside London (including some in Green Belt, no doubt), a simple/understood fact is that leaders in the WSE expect leadership from the GLA in terms of a willingness to look closely at London's own Green Belt.

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<sup>2</sup> A. Mace et al. *A 21<sup>st</sup> Century Metropolitan Green Belt*, report of a HEIF5 funded knowledge exchange project, LSE London, August 2016.