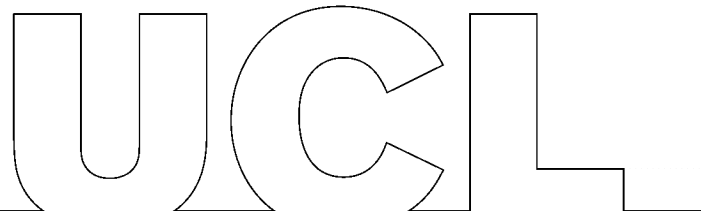


Alex Csicsek, PA to Nicky Gavron AM
Chair of Planning Committee
London Assembly

31 July 2012



Dear Nicky / Alex

I am delighted to be able to contribute to the Planning Committee's consideration of the Revised Early Minor Alterations to the London Plan. Thanks for your invitation.

I write in a personal capacity, not on behalf of UCL or any other organisation.

The overwhelmingly important feature of the Alterations is the weakening of London's capacity to meet its people's most serious housing needs. The evidence is that needs for housing among low and middle-income Londoners are becoming even more acute and that any alterations to the Plan should increase, not decrease, the emphasis on social rented housing.

The NPPF does not change the requirement that a sound Plan must be based on evidence, indeed §47 insists:

"To boost significantly the supply of housing, local planning authorities should:
●● use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area,..."

In more detail:

The 2011 targets were too low:

The policies in the London Plan 2011 are based on the Strategic Housing Market Assessment (SHMA) of 2008. Targets were set for social rented housing and for the "intermediate" balance of what was then called "affordable" housing. It contained an annual target for building 'at least' 32,210 additional homes (of all types) in each of the following 10 years (2,690 lower than the target figure suggested in the 2008 SHMA), comprising 7,929 (25%) social-rented, 5,280 (16%) intermediate and 19,010 (59%) market homes. If the backlog of need for social-rented homes were to have been addressed over

the following 10 years, 76% of the 32,210 annual homes target set in the London Plan would have needed to be social-rented.

The 2011 targets were not achieved:

In the years 2007-10 London met about half the target levels of output for social rented housing, while slightly exceeding target for intermediate housing. For the combined "affordable" categories London fell well short of target.

There is no up-to-date needs assessment:

It was generally accepted in the EiP leading up to the London Plan 2011 that a fresh needs assessment would soon be needed. On 7th October 2010, John Lett of the Mayor's London Plan team said at the EiP - *'On the timing of the SHMA and indeed the timing of the SHLAA revision we will do them as soon as possible. There is of course, as ever a resource implication on this. The Mayor has given a very clear indication that he wants the SHLAA refreshed and be done as soon as possible and there is a great deal of sense in trying to do the SHMA at the same time in parallel with it. But, we also need to be integrated as far as possible with the London Housing Strategy because there is little point in having a review of the spatial plan which is not integrated with the investment plan. So we will try to do the two together and we are certainly internally thinking about a work programme as London Councils indicated, towards 2011 and 2012'.* *

In the event no new SHMA has been done, or even started. This is a major failing and means that policy making remains dependent on the 2008 data plus fragmentary information on how needs have changed since 2008.

Since 2008 need has surely intensified at the bottom half (roughly) of the income scale:

We have many signs that the need for housing which is genuinely affordable by lower income Londoners has intensified in recent years and will continue to do so. These are more than straws in the wind:

(i) The changes in Housing Benefits and Housing Allowances - already enacted when the 2011 Plan was published - are already pricing many families out of rented housing in the more expensive London Boroughs and independent research by Alex Fenton in Cambridge for Shelter has estimated the scale of the likely effects which will make privately-rented housing entirely unaffordable for claimant households in a majority of London localities and many other organisations have repeated and extended these estimations. Such households could only afford to remain in their communities if there were a greatly increased supply of socially-rented housing.

(ii) There is growth in recorded overcrowding, especially in the scarce socially-rented stock and in private renting.

(iii) Local authorities report rising aggregate homeless registrations;

(iv) Rents in the private sector continue to rise across London, outstripping what little income growth there is and the general level of inflation.

(v) There is anecdotal evidence that significant and growing numbers of dwellings at the luxury end of the housing market are being held vacant as speculative investments or used very infrequently. While the direct effects do not impact on the need for social housing, there is a diversion of sites which could be used to meet Londoners' needs and ripple effects through the markets which contribute to rising rents.


(vi) The early results of the 2011 Census show that actual population has grown faster in this century than had been registered in Estimates and Forecasts; latest forecasts are for even faster growth than had been foreseen in the 2011 Plan. This all amounts to added housing pressure which will be felt most adversely by poorer Londoners.

Summing up, the proposed amendments go in the opposite direction from what the evidence shows is needed.

It is clear that the Mayor intends to swing the emphasis away from Social Rented housing with its lower rents - inherently more affordable to those in the greatest need - towards a higher tier of rents (up to 65% or even 80% of private rental market levels). This would be to fail to apply available resources where they are most needed and in favour of those with substantially higher incomes. Probably fewer than 30% of London households could stand to benefit from these changes.

The Plan should be retaining the separate targets, policies and monitoring procedures for Social Rented housing and the new "Affordable" category of housing because of the unique conditions of the London economy - specifically the very high level of market prices and rents and their continuing growth - mean that the blanket policies proposed nationally would be a disaster in London. The need for policy to be adapted to geographically varied needs is explicitly recognised in NPPF §10.

Yours sincerely.



*Just Space recordings and transcripts of the Examination in Public of the Draft Replacement London Plan, <http://ucljustspace.wordpress.com/eip-recordings/> - page 10 of the transcript.