

# Examination of the Tower Hamlets Local Plan

## London Borough of Tower Hamlets

### Response to Main Matter 5

#### Matter 5: Housing

##### Issue 5 - Is the level of housing required deliverable?

##### Overall delivery over the plan period

**5.1 Policy S.H1 advises that the LP will secure the delivery of 58,965 homes across the borough between 2016 and 2031. This equates to 3931 homes per year. I understand this has been calculated by 'rolling forward' the annual target identified by the London plan. Is this approach justified?**

5.1.1 This approach is justified by the requirement set out in the London Plan (GLA, 2016). Policy 3.3 (Increasing housing supply) of the London Plan states: '*Boroughs should seek to achieve and exceed the relevant minimum borough annual average housing target in Table 3.1, if a target beyond 2025 is required, boroughs should roll forward and seek to exceed that in table 3.1 until it is replaced by a revised London Plan target.*' This is supplemented in the Housing Supplementary Planning Guidance (GLA, 2016) (SED21) which indicates this approach has been accepted by three consecutive London Plan examinations (see paragraph 1.1.24).

5.1.2 It is noted that there is now a draft London Plan (2017) (SD08), published in December 2017, with a revised target for the borough of 3,511 homes a year. However, this not yet been examined nor adopted and therefore our current target has not been replaced.

5.1.3 The Greater London Authority in response to the regulation 19 consultation (representation ID LP672) supports this approach, stating that '*the borough has identified sufficient capacity to meet its London Plan housing target over the first 10 years of the Local Plan period. The borough has stated additional capacity is likely to come forward so that it can meet its housing target in the latter (11-15 years) period. It has identified that additional capacity is likely to come from the higher than average density levels and delivery rates achieved in Tower Hamlets, the emergence of new delivery mechanisms and other interventions such as the brownfield register. These assumptions are supported by the London and Tower Hamlets' AMRs which demonstrate that the borough has the highest housing delivery rate for all the London boroughs. In this regard, in addition to working on the Isle of Dogs and South Poplar OAPF mentioned above, Tower Hamlets has been in putting into the new London SHLAA. Tower Hamlets' revised housing supply target will be published in the new draft London Plan later this year, based on this process. Given these factors, in this instance, subject to a review of the Local Plan within 10 years of its adoption, the proposed housing trajectory is acceptable.*' The principle of such a review is included in part 5 of the LP (see chapter 6: monitoring and review).

5.1.4 The justification for this approach is also established in the context of the Strategic Housing Market Assessment (SHMA) (2017) (SED17) which establishes an objectively assessed need which is less than the borough's London Plan housing target. Adopting this rolled forward target will therefore address our own need, as well as London's strategic need. As such, policy SH1.1 meets the requirements of the NPPF (paragraph 47).

## 5.2 Are the suggested rates of planned housing development realistic and achievable when considered in the context of the past completion rates?

5.2.1 The LP housing trajectory has been reviewed and updated to reflect the most up to date information available. The update, which includes the trajectory methodology, is set out in the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018) (SED27) which is appended to matter 5 (appendix 5.1).

5.2.2 In the context of Tower Hamlets, the majority of larger sites are likely to be delivered in phases, and completions will not come forward in a uniform manner in the next five years<sup>1</sup>. However, in order to provide an estimate of the potential yield of deliverable housing supply, the trajectory assessment made the following assumptions regarding future build out rates and lead in times for housing delivery:

- The build out rate for each site is limited to approximately 500 units over a 5-year period (or 100 units a year), unless there is specific evidence indicating delivery rate will be higher.
- There will be no 'lead in time' for sites where works on site have commenced.
- A 24 month 'lead in time' for sites with a current full planning permission.
- A 30 month 'lead in time' for sites with prior approval for development and "hybrid" permission.
- A 36 month 'lead in time' for sites with a current outline planning permission.

5.2.3 The assumptions above provide an indicative view of development trajectory and are used in the absence of more specific evidence. In the case of the annual development yields (i.e. 100 units per year), this is based on evidence by the GLA and in the 'Barriers to Housing Delivery' Report<sup>2</sup>. This evidence has also been reviewed against our internal data on delivery rates, including that from our developer survey results<sup>3</sup> and past housing delivery rates<sup>4</sup>, as set out in the table below. This data demonstrates that when housing trajectories are considered from scheme implementation (works commencing on site) to final completion, 100 units per year is a realistic average to apply to our housing trajectory in the absence of more specific information.

Source	Average annual delivery from implementation to completion
Developers survey of housing trajectories	135 units per year
Past delivery rates from 2004 - 2015	100 units per year

5.2.4 The development 'lead in time' assumptions set out above (i.e. 2 years for sites that have full planning permission that have not yet started) are considered to be the most realistic view of site assembly time in Tower Hamlets given that the majority of our deliverable sites already benefit from relatively favourable viability conditions and are well-served by infrastructure, thus giving a realistic prospect that development will be implemented during that time.

<sup>1</sup> The Mayor of London recognises that there is potential for housing supply in some boroughs to be "lumpy" due to the phasing of key large sites and inevitable economic changes – paragraph 1.1.37 of London Housing Supplementary Planning Guidance (GLA, March 2016)

<sup>2</sup> Evidence from "Barriers to Housing Delivery" (Molior & GLA, 2014, page 16); the Housing Supplementary Planning Guidance (GLA, March 2016, paragraph 1.1.35).

<sup>3</sup> A developer's survey was undertaken by the council in 2017 where agents for the borough's large development schemes were consulted regarding the future housing trajectories of their sites. The council received trajectory information for approximately 10 large sites.

<sup>4</sup> An analysis of past delivery rates considered the delivery of 11 large schemes (ranging from 200 homes to 1,500 homes in capacity) from scheme implementation to final completion. The average delivery of these schemes equals 100 units per year. These completed schemes include: St Andrews, St George's Estate, 22 Marsh Wall (Landmark Square), 1 Millharbour (Pan Peninsular Square), Ocean Estate, Bede Estate, Indescon Court, Millharbour and London City Island (Phase 1).

5.2.5 The housing trajectory also acknowledges that some larger schemes in the borough can deliver more than 500 homes over a 5-year period in cases where additional evidence was available, especially on permitted sites currently led by a house builder and where development for the particular phase or building is well underway. This evidence consists of:

- Specific development trajectories provided by developers following the 2017 developer's survey;
- Website information and marketing material advising on start or completions dates; and
- Officer analysis in the cases where high rise development is more likely to be more 'lumpy' in nature.

5.2.6 Examples of sites that were subject to the bespoke phasing assumptions described above include:

- Wood Wharf (average of 367 units per year to 2025/26, based on a phasing plan from the developer);
- South Quay Plaza (444 units per year over two years to 2020/21 based on recent commercial material indicating the two residential-led buildings will be completed by the third quarter of 2020/21); and
- Leamouth Peninsular North (or 'London City Island') (average of 286 units per year to 2020/21, based on the development trajectories from the developer).

5.2.7 The full list of sites (within the five year housing trajectory only) can be found in appendix B of the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018).

**5.3 The LP acknowledges that there will be a shortfall in the housing delivery towards the end of the plan period. Chapter 6, para 6.4 (page 265) advises the Council will explore ways of addressing this shortfall during the plan period:**

**What specific measures are the Council proposing the deal with this issue?**

5.3.1 As indicated in paragraphs 4.8 and 4.9 of the LP, these measures are outlined in the Housing Delivery Strategy (2017) (SED26) at section 8. These measures include:

- housing coming forward at densities greater than assumed in the Strategic Housing Land Area Assessment, where in keeping with development plan policies;
- early delivery of sites;
- addressing infrastructure constraints;
- the brownfield register;
- GLA funding;
- council delivery and new housing companies; and
- work on the Housing Zone and two emerging Opportunity Area Planning Frameworks.

5.3.2 Section 9.3 of the Housing Delivery Strategy (2017) (SED26) outlines further actions which will be taken if the delivery mechanisms do not operate as anticipated and delivery remains consistently below the housing target.

5.3.3 As noted in response to 5.1, the GLA (representation ID LP672) consider this approach to be justified.

5.3.4 In addition, since the completion of the Housing Delivery Strategy, there has been progress in relation to a number of these measures:

- The Five Year Housing Land Supply and Housing Trajectory Statement (June 2018) (further details in answers 5.2 and 5.4) indicates an increase in anticipated delivery since the last statement.
- Further GLA funding rounds have been announced, increasing grant available to support delivery of new build affordable housing, in particular council housing (June 2018).
- The Isle of Dogs and South Poplar Opportunity Area Planning Framework has been published for consultation (May 2018) which indicates that subject to national and GLA support to unlock the delivery of infrastructure, alongside high quality place shaping, further delivery may be sustainable in that sub-area.
- Initial consultation and procurement have occurred for around 250 homes as part of our ongoing council-build programme:

### **Why has the Council not identified sufficient sites for the plan period?**

- 5.3.5 Paragraph 47 of the National Planning Policy Framework (NPPF) requires local planning authorities to: *'annually identify and update a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements, with an additional buffer of 5% 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% to provide a realistic prospect of achieving the planned supply. Local planning authorities should also identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15'.*
- 5.3.6 As required, we have identified sufficient deliverable sites for the first five years, which are outlined in appendix b of the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018) (see appendix 5.1). The responses to questions 5.4 and 5.9 provide further detail on the 5-year supply.
- 5.3.7 For years 6 – 10, as outlined in the trajectory in appendix 7 of the submitted plan, the borough has identified sufficient developable sites to meet the target. It is acknowledged that around 16% of that delivery is on sites solely identified in the Strategic Housing Land Availability Assessment (SHLAA) (2017) and which are not made public in accordance with the GLA recommendation (paragraph 2.4 in the SHLAA (2017)). This is due to the probability based approach to assessing potential SHLAA sites, therefore information on individual 'potential' sites is confidential and is not made publicly available in order to avoid the misunderstanding and misapplication of site information which *'might pre-empt the statutory planning decision process, undermine current land uses and businesses and lead to increases in land value through the speculative disposal and purchase of sites'.* This approach has been considered sound at previous London Plan EiPs.
- 5.3.8 For years 11 – 15, we have identified developable sites to meet around 60% of the target, of which 18% are solely identified in the SHLAA, and have identified the Isle of Dogs and South Poplar, City Fringe and Lower Lea Valley Opportunity Areas as broad locations for growth in policy S.SG1 (part 3).
- 5.3.9 It is considered that this approach, as explained in the Housing Delivery Strategy (2017) (SED26), meets the requirements of paragraph 47 of the NPPF.

### **Five year delivery**

#### **5.4 Will the Council be able to demonstrate a five year supply of housing land upon adoption of the LP?**

- 5.4.1 The current five year housing supply time period is for 2017/18 – 2021/22 - as set out in the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018) (appendix 5.1).

- 5.4.2 The next five year housing supply assessment for 2018/19 – 2022/23 will be undertaken towards the end of the 2018/19 financial year as part of the annual monitoring reporting process.
- 5.4.3 Taking into account current projections, the five year supply between 2018/19 and 2022/23 is 22,420 homes, compared to 20,246 homes within the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018). This is an increase of approximately 1,000 units and further demonstrates the robustness of our development pipeline and why we consider we will be able to deliver our ambitious housing target.

<b>Five year housing supply period</b>	<b>London Plan requirement (including 5% buffer)</b>	<b>Total deliverable supply (including windfall allowance)</b>	<b>Deliverable supply compared to London Plan requirement</b>
2017/18 – 2021/22 (the current five year housing supply published in appendix 5.1)	20,638	21,449	+812
2018/19 – 2022/23 (expected at LP adoption)	20,638	22,420	+1,782

**5.5 Is the housing trajectory in appendix 7 realistic? In the context of footnote 11 of the NPPF, does it form an appropriate basis for assessing whether sites are deliverable?**

- 5.5.1 A range of sites make up the LP housing trajectory as set out in the table below. The methodology applied to these sites (see question 5.2) forms a realistic understanding of the borough's housing trajectory.

<b>Status</b>	<b>Description and methodology</b>
Current planning permissions	<ul style="list-style-type: none"> <li>Housing sites with planning permission make up the majority of our housing trajectory. The majority of these planning permissions are for conventional housing, but the housing trajectory also considers the contribution of non-self-contained accommodation (in line with annex 4 of the London Plan (GLA, 2016) (SD07).</li> <li>Some of these permissions are already under development and others have not yet started construction. The evidence for this is set out in question 5.7.</li> <li>The methodology for the build out rates of these sites is set out in more detail in response to question 5.2 and is based on a realistic view of development build out rates.</li> <li>All 'deliverable' sites have a live planning permission, with the exception of the small site windfall allowance.</li> </ul>
Small sites windfall (under 10 units)	<ul style="list-style-type: none"> <li>We have taken a small sites annual windfall allowance of 223 homes per year based on the average historic delivery of small sites. The methodology behind this allowance is further explained in response to question 5.8.</li> <li>This windfall has been projected across years 2-15 of the plan period (given that completed small sites in year 1 have already been included in the trajectory).</li> </ul>
Site allocations	<ul style="list-style-type: none"> <li>A number of sites have been allocated within the LP to</li> </ul>

(without planning permission)	<p>accommodate a significant number of homes. Some allocations are made up of composite sites that have already been subject to several planning consents, whereas others will be delivered in a more comprehensive manner through a single planning permission.</p> <ul style="list-style-type: none"> <li>• Any current planning permissions on site allocations will be included in the 'planning permissions' category in the housing trajectory (see above).</li> <li>• For longer term site allocations that have not yet been subject to any planning activity, the capacities and trajectories of these sites are based on the London SHLAA (2017)* and provide supply in years 6-15 of the plan.</li> <li>• Given our previous track record on delivery on large strategic sites<sup>5</sup>, we are confident in being able to deliver these large site allocations that do not yet have permission within the plan period.</li> </ul>
SHLAA sites (without planning permission)	<ul style="list-style-type: none"> <li>• Other large SHLAA sites also make up the housing trajectory of the later periods of the plan. The capacities and trajectories of SHLAA sites are also consistent with the London SHLAA (2017).*</li> <li>• As stated in response to question 5.3, a relatively small proportion of SHLAA sites make up the 'developable supply' in years 6-10, as well as years 11-15 of the LP.</li> </ul>

\* Note: as set out in the table above, the capacities and trajectories for all sites in the housing trajectory that do not yet have permission are based on the London SHLAA (2017) which is the most recent evidence base supporting the deliverability and trajectories of these sites. This included a rigorous process of site selection, assessment and scrutiny between GLA and council officers. In keeping with the GLA approach these sites are not made public. This is due to the probability based approach to assessing potential SHLAA sites; therefore information on individual 'potential' sites is confidential and is not made publicly available in order to avoid the misunderstanding and misapplication of site information which *'might pre-empt the statutory planning decision process, undermine current land uses and businesses and lead to increases in land value through the speculative disposal and purchase of sites'*. This approach has been considered sound at previous London Plan examinations in public.

### **Deliverable supply**

5.5.2 The NPPF specifies in footnote 11 that *"to be considered deliverable, sites should be available now, offer a suitable location for development, be achievable with a realistic prospect that housing will be delivered on the site within five years and 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."*

5.5.3 As stated in the table above, all our sites that are considered to be 'deliverable' have a 'live' planning permission. This includes all sites which make up the five year supply. In the context of Tower Hamlets as an inner London borough with good viability conditions (across the majority of the borough), infrastructure provision and access to public transport, these sites are considered to be available now, offering a suitable location for development and achievable in the relation to the realistic housing trajectory methodology set out in response to question 5.2. We have also taken the view that some of the larger sites within the borough, due to their scale, complexity and evidence at the time of writing, will not be 'fully' deliverable within the first five years of the LP and will inevitably extend into years 6-15 of the plan period. As set out in appendix B of the Five Year Housing Land Supply and Housing Trajectory Statement, this includes 10 large sites such as Wood Wharf, Blackwall Reach and Leamouth Peninsula South.

<sup>5</sup> Tower Hamlets has continued to deliver more new homes than any other authority in the country (nearly 20,000 homes since 2011) and the majority of these have been on large strategic sites.

5.5.4 This is considered to be a realistic basis for considering the borough's deliverable supply in accordance with footnote 11 in the NPPF. Further information is set out in question 5.2.

## **5.6 Does the housing trajectory align with the Infrastructure Delivery Plan?**

5.6.1 The information contained within the Infrastructure Delivery Plan (IDP) (SDO6) is a 'snapshot' in time of the latest up-to-date information on existing infrastructure supply and likely future demand; details on projected population growth and various projects that have been identified to address current and likely future infrastructure demand.

5.6.2 The housing trajectory informs the basis of the borough's infrastructure need as identified in the IDP: the housing trajectory is translated into population projections using the GLA's standard methodology; and infrastructure benchmark standards are then applied to these projections in order to establish the likely future demand for the particular infrastructure types.

5.6.3 However, it is important to note that the IDP is holistic in its approach to establishing the infrastructure need, beyond that which is directly and solely linked to that arising from the levels of development. For example, the process takes into account a number of other factors, including:

- close working with council service areas as well as other infrastructure stakeholders (such as TfL and the NHS);
- a review of existing plans, policies and strategies to capture any further projects proposed and an assessment of delivery requirements for each infrastructure type; and
- existing infrastructure deficits.

5.6.4 To provide an overview of how infrastructure provision will relate to housing trajectory, we have produced a table to show the site allocations in relation to infrastructure delivery across three LP 5-year tranches: 2016 – 2021; 2021 – 2026; and 2026 – 2031, based on the findings of the IDP and the housing trajectory. This is a follow up to the detailed table produced in response to the inspector's preliminary questions. This table is set out in appendix 5.2 to these matters.

## **5.7 Is the LP clear in terms of the status of allocated sites and commitments? Where is the evidence to explain this?**

5.7.1 All sites in the LP housing trajectory are included in the following housing trajectory categories and summarised in appendix 7 of the LP:

- Planning permissions (full, hybrid, outline and prior approvals) that are already 'under development';
- Planning permissions (full, hybrid, outline and prior approvals) where development has not yet started;
- Site allocations (which are not yet subject to planning permission); and
- SHLAA sites (which are not yet subject to planning permission).

5.7.2 The evidence behind these each site status is set out below:

- All sites with planning permission are based on information from the council's internal 'acolaid' database which contains data from both development management and building control records;
- Site within planning permission that are 'under development' (i.e. construction has commenced) are based on building control monitoring records, pre-commencement conditions and regular site observations;
- Sites without permission (i.e. either site allocations without permission or other large SHLAA sites) – the evidence for these sites is based on the 2017 London

SHLAA which included joint working between GLA and council officers to determine site capacities and development trajectories.

- 5.7.3 Note: information on all sites (including whether they are located within a wider site allocation) is identified in Appendix B of the Five Year Housing Land Supply and Housing Trajectory Statement (appendix 5.1). Note: Sites without planning permission are not in this list for confidentiality reasons (see paragraph 5.3.7 above).
- 5.7.4 Given fast-changing nature of developments in the borough, it is not considered necessary to include detailed information on the development and planning status of our site allocations within the body of the LP itself and this information would become out of date by the point of LP adoption. However, we will monitor the progress of site allocation development and infrastructure through the annual monitoring report process (see MM1).

## General matters

### 5.8 Is the estimate of windfall numbers identified by the LP appropriate and realistic?

- 5.8.1 A windfall site is one that has not been specifically identified as available in the L P process<sup>6</sup>. Paragraph 48 of the NPPF and Planning Practice Guidance<sup>7</sup> states that 'windfall' assumptions for the projected rate of housing delivery on unidentified sites can be included in assessments of potential housing supply, providing there is 'compelling evidence' that such sites have consistently become available in the area and will continue to provide a reliable source. Any allowance should be realistic and have regard to the Strategic Housing Land Availability Assessment (SHLAA), historic windfall delivery rates and expected future trends.
- 5.8.2 We have considered the potential for small 'windfall sites' and their contribution towards the deliverable supply<sup>8</sup> and the local plan trajectory, With a view to predicting future windfall rates in Tower Hamlets, it is considered small sites that contain less than 10 units should be considered as part of our small site windfall allowance.
- 5.8.3 Therefore, for smaller sites providing less than 10 homes, the housing trajectory assumes an average annual windfall of 223 homes will come forward each year over the plan period.
- 5.8.4 The assumption is based historic delivery rates achieved in Tower Hamlets over the last six years (see below) which clearly demonstrates a uniform and consistent delivery trend during this period. In total, this includes an additional 892 units towards the deliverable five year supply and 3,122 units towards the total LP supply<sup>9</sup>.

Timeframe	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Smaller sites (<10 units)	279	196	200	247	223	190

Source: London Borough of Tower Hamlets

<sup>6</sup> NPPF (2012) - glossary definition

<sup>7</sup> NPPG, paragraph: 24. Reference ID: 3-24-20140306

<sup>8</sup> Paragraph 3.19A of the London Plan: Given London's reliance on recycled land currently in other uses and the 2013 London SHLAA's evidence, it must be recognised that in addressing this national objective, capacity which elsewhere in the country would be termed "windfall" must here form part of the 5-year supply.

<sup>9</sup> Note: the contribution of the windfall allowance towards the deliverable supply and local plan supply does not include year 1 of the plan, given that 2016/17 small site completions have already been included in the trajectory.

5.8.5 This small site windfall development trend is considered to continue into the future years of the LP and will provide a valuable and reliable source of housing supply. This assumption is based on:

- the strong consistency of the historic trend (see table above);
- the majority of our small sites are on 'recycled land'<sup>10</sup>, not vacant sites, indicating that there is a potentially healthy future supply of available small sites in the borough. This also accords with 3.19A of the London Plan;
- the projected housing supply to 2031 is expected to exceed the average past delivery rates by over 4,000 homes in total, which indicates a reasonable prospect that our small sites windfall will be achieved (as a minimum) in future years.

5.8.6 Paragraph 48 above also states that any allowance should also have regard to the SHLAA. Our methodology for small sites is based on the same methodology used in the 2013 London SHLAA<sup>11</sup> 'small sites' windfall allowance which also considers historic trends. However, the GLA's definition for small sites is any site below 0.25 hectares. We have decided to maintain our small site definition of sites under 10 units in order to avoid the double counting of sites and to 'maximise the number of identified sites' within our supply estimates<sup>12</sup>. Furthermore, it is noted that sites under 0.25 hectares are not truly 'small' in the context of Tower Hamlets, where sites of this size are capable of yielding up to 100 homes in some cases. The London SHLAA (2013) also acknowledges that the small site label can be misleading in this regard<sup>13</sup>.

## **5.9 Is the 5% buffer appropriate and what is the evidence to support this?**

5.9.1 Paragraph 47 of the NPPF requires an additional buffer requirement of 5% to ensure choice and completion in the market for land, or a 20% buffer where there is a record of persistent under delivery of housing.

5.9.2 We have considered our housing delivery performance over the past six years (see below for rationale for this starting date). These figures reflect a comprehensive internal review of the borough's past housing delivery (carried out in June 2018) and an update of the figures previously set out in the submission version publication of the Five Year Housing Land Supply and Housing Trajectory Statement. This exercise has been carried out in order to reflect the most recent information available.

5.9.3 In the assessment of a local delivery record, Planning Practice Guidance (PPG) confirms that there is no 'universally applicable test' or 'definition' of the term 'persistent under delivery'; although the assessment is likely to be more robust if a longer term view is taken. So, therefore, we have considered past delivery from 2011, which marks the adoption of the 2011 London Plan.

5.9.4 As the table below shows, we fell short of the London Plan target in only two of the past six years (2014/15 and 2015/16). Nevertheless, overall we exceeded the cumulative housing target (i.e. the over requirement from 2011-2016) by 1,311 homes. It is therefore considered that the borough's past housing delivery set out in table 1 does not constitute a record of persistent under delivery in regards to paragraph 47 of the NPPF and guidance from the Planning Policy Guidance in the context of Tower Hamlets<sup>14</sup>.

5.9.5 Furthermore, as set out in the Five Year Housing Land Supply and Housing Trajectory Statement (June 2018), given that a large proportion of the borough's housing supply will come from a range of large, strategic brownfield sites, the complexity and density

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<sup>10</sup> Over 95% of our small sites (under 10 units) since 2011 are on 'redeveloped' sites.

<sup>11</sup> Note: The small sites methodology in the London SHLAA (2017) is a controversial issue across London and still subject to examination. For this reason, the London SHLAA (2013) small sites methodology still takes precedence in our view.

<sup>12</sup> Paragraph 3.19A of the London Plan

<sup>13</sup> Paragraph 3.52 of the 2013 London SHLAA

<sup>14</sup> Planning Practice Guidance: reference ID: 3-035-20140306

of these sites and the time taken to commence development means there is potential for housing delivery to be “lumpy”<sup>15</sup> and for the annual average target to be missed in some years of the plan (with delivery higher than the target in some years, and below the target in others). This trend is demonstrated in the data below with some years of significant over-delivery, followed by years of under-delivery.

Relevant plan	Year	Housing completions (net figures)	Housing targets	Performance against targets
London Plan 2011	2011/12	3,923	2,585	+1,338
	2012/13	2,889	2,585	+304
	2013/14	3,568	2,585	+983
	2014/15	1,990	2,585	-595
London Plan 2015	2015/16	2,444	3,931	-1,487
	2016/17	4,699	3,931	+768

<b>Total</b>	19,513	18,202	+1,311
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Source: London Borough of Tower Hamlets. Past housing delivery data is based on building control records.

## 5.10 How do the Council propose to address future changes to the London Plan?

5.10.1 Firstly, it is important to note that in their representation the Greater London Authority (GLA) (see representation ID LP670) were supportive of the approach taken in the LP and did not raise any significant concerns with regards to the proposed policies, in relation to the emerging London Plan. We therefore consider we are in general conformity with the existing and draft London Plan.

### Revised London Plan housing target

5.10.2 The main implication for the borough is the proposed revised housing target. The new target is the result of a full update London SHLAA (2017), which underpins the emerging London Plan and reflects the most up-to-date evidence on housing supply in London. The annual target for Tower Hamlets is proposed to reduce from 3,931 to 3,511 homes.

5.10.3 As acknowledged in the submitted plan (see part 3, chapter 4, paragraphs 4.8 and 4.9 [page 62] and part 5, chapter 6, paragraph 6.4 [page 265]), there is a shortfall in housing delivery towards the end of the plan period. As outlined in the Housing Delivery Strategy, 2017 (SED26), we will seek to minimise this shortfall as far as possible (see question 5.3 on further detail). In their regulation 19 response, the GLA stated that the ‘draft Local Plan is in general conformity with the London Plan, subject to the Plan being reviewed within 10 years of its adoption in order to address housing supply in the later period of the Plan.’

5.10.4 It is important to note that the London SHLAA (2017) also underpins the LP trajectory in terms of site allocations and SHLAA sites without permission (i.e. longer term pipeline), so the adoption of a lower target through the London Plan will not require the borough to implement a different approach to the distribution and location of land uses

<sup>15</sup> Housing supply in some boroughs has the potential to be “lumpy” due to the phasing of key large sites and evitable economic changes – see paragraph 1.1.37 of the London Housing Supplementary Planning Guidance (GLA, March 2016).

in the borough. It is acknowledged that any target is a minimum and we will still seek to maximise sustainable housing delivery.

### **Small sites**

5.10.5 The emerging London Plan sets a new small sites target for all boroughs as a result of the London SHLAA (2017). Despite the new small sites methodology being one of the most controversial elements in the emerging London Plan, it is not considered that the adoption of the new approach towards small sites in the emerging London Plan will require any further changes to the submitted LP. The Tower Hamlets small sites target is relatively small compared to other London boroughs and we have been identified in the London SHLAA (2017) as a borough which already almost delivers small sites at a rate envisaged by the small sites modelling.