The Planning Inspectorate

Report to the Mayor of London

by Mr A Thickett BA(HONS) BTP MRTPI Dip RSA

an Inspector appointed by the Secretary of State for Communities and Local Government

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GREATER LONDON AUTHORITY ACT 1999

PART VIII

REPORT ON THE EXAMINATION IN PUBLIC INTO THE FURTHER ALTERATIONS TO THE LONDON PLAN

Examination in Public hearings held between 1 and 18 September 2014

File Ref: SDS0024

Non-Technical Summary

This report concludes that the London Plan as changed by the Further Alterations provides an appropriate basis for the strategic planning of Greater London provided the suggested and further suggested changes are made[1] and my recommendations are accepted.

The recommendations can be summarised as follows:

- Committing to an immediate full review of the London Plan
- Removing references to London Boroughs being required carry out their own assessments of objectively assessed housing need
- Allowing London Boroughs to set their own income criteria with regard to intermediate housing

Abbreviations Used in this Report

dpa	Dwellings per annum
FALP	Further Alterations to the London Plan
GLA	Greater London Authority
IIA	Integrated Impact Assessment
MDC	Mayoral Development Corporation
NPPF	National Planning Policy Framework
OA	Opportunity Area
PPG	National Planning Practice Guidance
PTAL	Public Transport Accessibility Level
SA	Sustainability Appraisal
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SIL	Strategic Industrial Land
TfL	Transport for London

Reference to documents in footnotes and elsewhere such as FA/CD1/01 relate to the document number in the examination library. References such as 01/Session 2 relate to statements submitted to the EiP. For example, 01/Session 2 is the Mayors statement for session 2. All statements can be found on the EiP pages on the GLA's website.

[1] Other that where my recommendations indicate otherwise

Introduction

1. This report contains my assessment of the Further Alterations to the London Plan (FALP) in accordance with the terms of the Greater London Authority (GLA) Act 1999 (as amended) and the Town and Country Planning (London Spatial Development Strategy) Regulations 2000 (the Regulations).

2. The Mayor's London Planning Statement[2] refers to the requirement in Section 41 of the GLA Act that the London Plan should be consistent with national policy. This is set out in the National Planning Policy Framework (NPPF) which is supported by the National Planning Practice Guidance (PPG). The guidance in the NPPF about plan making generally refers to Local Plans. However, in light of the above and in the absence of anything else, I consider it reasonable and appropriate to apply the soundness tests of paragraph 182 of the NPPF to the proposed alterations, namely that the FALP should be positively prepared, justified, effective and consistent with national policy.

3. The starting point for the examination is the assumption that the Mayor does not consider that the Further Alterations affect the soundness of the London Plan. The FALP was published for consultation in January 2014[3] and the Mayor published a Schedule of Suggested Changes in July 2014[4] (SSC). These suggested changes were considered alongside the FALP during the EiP hearings. During and after the EiP hearings the Mayor put forward a number of further suggested changes (FSC) and a consolidated set of all the changes suggested by the Mayor has been published[5].

4. Unaltered policies text, tables, maps and figures are not subject to this examination and I have not considered responses outside the scope of the proposed further alterations. This report does not refer to every suggested change, whether it be made by the Mayor or others, or comment on all the representations made whether orally at the hearings or in writing. This report focuses on the matters and issues I consider to be crucial to the soundness of the FALP. Unless specifically referred to in this report, I recommend that the GLA adopts all the suggested and further suggested changes put forward by the Mayor[6]. Any Inspector Recommended Changes are identified in bold in the report (**IRC**) and are set out in full in Appendix 1.

Duty to Co-operate

5. The Mayor's duties to consult and inform are set out in the GLA Act and the Regulations. The Mayor sets out in FA/EX/03 how the statutory requirements to publicise and consult were met and exceeded. Section 33A of the Planning and Compulsory Purchase Act 2004 imposes a duty on local planning authorities and other prescribed bodies/persons to engage constructively with one another with regard to strategic planning matters. The duty to co-operate, therefore, requires more than just to consult and inform.

6. The Mayor is a prescribed person under the Town and Country Planning (Local

[2] FA/KD/02; adopted as supplementary planning guidance in May 2014
[3] FA/CD/01
[4] FA/CD/06
[5] FA/EX/64b
[6] FA/EX/64b

Planning)(England) Regulations 2012 and is bound by the duty to co-operate to engage constructively with London Boroughs, local planning authorities and others inside and outside London in the preparation of their plans. That is not in dispute, but was the Mayor, as argued by some representors, legally bound by the duty with regard to the preparation of the FALP?

7. Section 33A(3) lists the activities to which the duty applies. The first activity is the preparation of development plan documents. The London Plan is part of the development plan for London but the Mayor points to Section 38(2) of the 2004 Act which defines the FALP as a spatial development strategy and not a development plan document. Section 33A(3)(d & e) apply the duty to any activities that can reasonably be considered to prepare the way for or support the preparation of development plan documents. The preparation of the FALP is an activity in its own right but it must, in my view, also prepare the way for and support the preparation of development plan documents.

8. It was argued at the hearing that London Boroughs could prepare their Local Plans in the absence of a spatial development strategy but Section 24(1)(b) of the 2004 Act requires such plans to be in general conformity with the FALP. The FALP sets out housing targets that the London Boroughs will be expected to plan for and sets out other requirements which will guide the preparation of development plan documents. In my view, therefore, the duty to co-operate does apply to the preparation of the spatial development strategy in London. The Strategic Housing Market Assessment (SHMA) and Strategic Housing Land Availability Assessments (SHLAA) supporting the FALP are London wide in their scope but are also activities which will support the preparation of development plan documents. The SHMA, which includes assumptions relating to migration, is also likely to be material to the preparation of local plans outside London.

9. The PPG states that; *'Cooperation between the Mayor, boroughs and local planning authorities bordering London will be vital to ensure that important strategic issues, such as housing delivery and economic growth, are planned effectively'*[7]. The Mayor has engaged with London Boroughs, particularly with regard to the production of the SHLAA. FA/EX/68 sets out how the Mayor engaged with relevant prescribed persons including the Environment Agency, English Heritage, Natural England and Transport for London (TfL). In April 2012 the functions of the Homes and Community Agency for London were devolved to the Mayor and the relevant officers were involved in preparing the FALP. The London Local Enterprise Partnership (LEP) is chaired by the Mayor and the relevant officers were again engaged in preparing the further alterations. In light of the above and having considered the evidence contained in FA/EX/03 and FA/EX/68, I consider that the Mayor has satisfied the duty with regards to bodies within London.

10. The FALP seeks to accommodate all of the growth to meet London's needs within its own boundaries. Nonetheless, the Mayor has engaged with local planning authorities and others outside London and has established the Strategic Spatial Planning Officer Liaison Group and the Deputy Mayor for Planning has met elected members from the south east. I have seen nothing to counter the assertion that LEPs outside London have been involved in cross boundary co-operation discussions since 2012.

[7] Reference ID: 9-007-20140306

11. The PPG states that the *'Mayor and waste planning authorities in London should engage constructively, actively and on an ongoing basis with other authorities, under the duty to cooperate, to help manage London's waste*[8]. There are complaints of a failure to engage from adjoining waste authorities. The FALP predicts a reduction in waste to a level at which London will be self-sufficient by 2026 and so arguably puts less pressure on surrounding waste planning authorities than the existing London Plan. Nevertheless, it is apparent from the representations and from the discussion at the hearings that the Mayor did not engage constructively with adjoining waste planning authorities in formulating the FALP.

12. Under Section 20(7)(C) of the 2004 Act it is not possible to rectify a failure to meet the duty to co-operate and if the duty has not been met, a development plan document cannot be found to be sound. However, as has already been established, the FALP is not a development plan document nor is the GLA a local planning authority. In a strict legal sense, therefore, the failure of the Mayor to comply with the duty does not automatically mean that the FALP cannot be found to be sound. However, the implications of a failure to engage must be assessed and a judgement reached as to whether a lack of engagement means the approach to waste in the FALP is justified and effective. I address these matters in detail later.

Main Issues

13. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified 7 main issues upon which the soundness of the FALP depends.

Issue 1 - Does the Integrated Impact Assessment[9](IIA) undertaken to inform the FALP fulfil the requirements of the Environmental Assessment of Plans and Programmes Regulations 2004[10]?

14. The PPG[11] states that a sustainability appraisal (SA) is a systematic process that must be carried out during the preparation of a plan. It advises further that the SA process is an opportunity to consider ways by which the plan can contribute to improvements in environmental, social and economic conditions, as well as a means of identifying and mitigating any potential adverse effects that the plan might otherwise have.

15. The IIA assessed 4 spatial development options and identified a wide range of key sustainability objectives covering social as well as land use matters including, amongst others, climate change, health and well-being and quality of life. The IIA also considered effects outside London and concluded that the further alterations would have a broadly positive impact when measured against the IIA's sustainability objectives.

16. The IIA assesses the options against the key sustainability objectives. Its depth and coverage is proportionate to the extent to which the further alterations change the aims and objectives of the London Plan and seems to

[8] Reference ID: 28-044-20141016
[9] FA/CD/02
[10] The regulations incorporate the requirements of the European Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment.
[11] Reference ID: 11-001-20140306

me to be a fair and thorough assessment of the proposed alternatives. I am, therefore, satisfied that the IIA complies with the regulations.

17. The production of the FALP was also informed by a Habitats Regulations Assessment[12] (HRA). The HRA concludes that the new and amended Opportunity Areas are too far away from any European designated sites to have any significant impacts. With regard to the remainder of the alterations, the HRA concludes that subject to changes to Policy 7.19, the FALP will not result in any additional effects to those identified and mitigated within the 2009 HRA. The requisite changes to Policy 7.19 have been made. The HRA's conclusions are not meaningfully challenged and I have neither heard nor read anything to suggest that they are not robust.

Issue 2 – Given that the FALP sets out the objectively assessed housing need for London should London Boroughs be required to undertake their own assessments?

18. The NPPF at paragraph 47 requires local planning authorities to, amongst other things, *'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'*. The guidance in the NPPF regarding plan making is silent with regard to how responsibilities should be divided in a two tier system as exists uniquely in London. The London Plan is part of the development plan for London and, in my view, it must be right that read together with the development plan documents produced by London Boroughs, the development plan should be consistent with national policy.

19. However, in a two tier system there should be no need for each part of the development plan to include the full range of policies necessary to accord with all parts of the NPPF or PPG, provided that together they do (as far as is necessary) and are consistent with national policy. The PPG advises that there should be no need to reiterate policies that are already set out in the NPPF in Local Plans[13]. It seems to me that the same principle should apply to a spatial development strategy. Further, to avoid unnecessary duplication and potential confusion, there should be no need for a local plan in London to reiterate policies set out in the FALP.

20. Section 334 of the GLA Act requires the Mayor to prepare a spatial development strategy. That plan must include a statement formulating the Mayor's strategy for spatial development for the use of land in Greater London. Housing need, supply and distribution are undisputedly strategic matters in London. I conclude below that the Mayor's estimate of objectively assessed housing need in London is justified by the evidence submitted to the EiP. Further, although I have reservations, I also consider that the FALP's strategy with regard to supply and distribution can be supported in the short term.

21. Once adopted, statute will require the local plans produced by London Boroughs to be in general conformity with the FALP. That includes conforming with a strategy which seeks to meet London's needs on brownfield land within the existing built up area. The SHLAA identifies most of the existing capacity

[12] FA/CD/05
[13] Reference ID:12-010-20140306

and, effectively, through the SHLAA, the FALP has determined the extent to which individual Boroughs can contribute to meeting the strategic need for housing across London. Within the confines of the FALP's strategy there is little scope to do more.

22. 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[14], 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[15].

23. 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.

Issue 3 – Whether the FALP's strategies, targets and policies will enable London Boroughs to meet the full, objectively assessed needs for market and affordable housing in Greater London.

The overall need for new housing

24. The PPG advises that the starting point in assessing objectively assessed need for new housing should be the latest household projections produced by the Department of Communities and Local Government (DCLG)[16]. However, the PPG also recognises that DCLG's projections may require adjustment to reflect factors affecting local demography. The Mayor has chosen not to rely on DCLG's projections for reasons set out in detail in his statement to the EiP[17]. In brief, the Mayor considers that the methodology underpinning the Office for National Statistics (ONS) 2011 subnational population projections (SNPP) has led, in London, to distorted projections of births, deaths and internal migration flows.

25. The Mayor's approach to population projections was explained at the Technical Seminar and is set out in FA/KD/03g. The GLA's assessment is thorough, based on sound methodology and on logical assumptions. The Mayor's contention that the GLA's population projections have proven to be more accurate than the 2011 based SNPP when measured against the ONS mid-year population data is not disputed. DCLG's household projections for London are based on the 2011 based SNPP and, in the circumstances, I am satisfied that

[14] FA/BD/99
[15] 01/Session 2, paragraphs 2b3
[16] Reference ID: 2a-015-20140306
[17] 01/Session 2, paragraphs 2a3 to 2a19

the Mayor is justified in carrying out his own assessment. The projections are also used by TfL, by many London Boroughs with regard to projected school rolls and to inform other Mayoral strategies. The benefits of using a consistent set of statistics to inform the wide range of plans and strategies being implemented across London weighs in favour of the Mayor's approach.

26. The GLA accepts that there is a significant degree of uncertainty regarding the impact of the recession and recovery on migration. Net domestic out migration from London fell from around 70-80,000 per annum (pa) pre 2008 to 32,000 pa the year after. Levels have begun to increase as the economy has recovered but the trend is difficult to predict. The reasons for this are set out in the SHMA[18] and are far too long and complicated to go into in detail here but are mainly due to difficulties in obtaining accurate/reliable data and the volatility of migration flows which can be affected significantly by changes in the economy, government policy and world events.

27. The SHMA considered three migration scenarios, one based on migration trends being unaffected by the economic recovery, the second assuming a return to pre-recession 'norms' and the third, mid-way between the other two representing a partial return to previous trends. These scenarios resulted in London's population being estimated to rise from 8.2m in 2011 to between 9.8m and 10.4m in 2036. The high and low variants are both plausible and the Mayor is criticised for choosing the central path. However, given the inherent uncertainties set out above and the tentative state of the economic recovery, it seems reasonable not to plan on the basis of the 'extremes'.

28. The central projection assumes that London's population in 2036 will be 10.11m. The GLA's demographers then applied the same methodologies and assumptions used by DCLG to formulate household projections. The outcome is that meeting London's objectively assessed need (including the backlog) over 10 years would require a build rate of 62,000 dwellings per annum (dpa). Meeting need over 20 years would require a rate of 49,000 dpa.

29. Concerns are raised by community groups that the SHMA does not take sufficient account of affordability and does not distinguish between affordable rent, social rent or take sufficient account of minority groups. However, the SHMA complies with the PPG with regard to the assessment of affordable housing and also includes assessments of groups such as students, the disabled and the elderly. The SHMA does not refer to market signals but does recognise the significant problems of affordability in London.

30. The GLA acknowledge that the projections are uncertain, particularly with respect to migration, and this is the main reason why a review of the Plan is planned to start in 2016. However, it seems to me, having considered all the evidence and the submissions, that they are reasonable and probably the best available assessment of objectively assessed housing need for London at this time.

Will the FALP deliver enough homes to meet the identified need?

31. Table 3.1 of the FALP sets targets for the London Boroughs which total 42,389 dpa, around 6,600 dpa short of what is necessary to meet objectively

[18] FA/KD/09, paragraphs 3.10 to 3.34

assessed need over 20 years. The Mayor expressed confidence at the hearings that; by maximising opportunities in town centres, on surplus Strategic Industrial Land (SIL) and in Opportunity Areas, 49,000 dwellings a year could be granted planning permission but was unwilling to commit to increasing the target.

32. Paragraph 3.18 of the FALP warns London Boroughs that for their local plans to be found sound *'they must demonstrate they have sought to boost supply significantly by meeting the full objectively assessed needs for market and affordable housing in the housing market area'*. FSC3.1 and FSC3.3 introduce a requirement for London Boroughs to, amongst other things, meet the target set out in Table 3.1, relate this to their own assessment of need and address any gap between supply and need by seeking to exceed the target. It goes on to state that this should be done by, amongst other things, finding additional sources of supply and through the duty to co-operate.

33. The GLA's officers stated at the EiP that they would work with the Boroughs to increase supply and to ensure that local plans are in general conformity with the FALP. However, in order to be in general conformity with Table 3.1, Boroughs need only meet their individual targets. In the absence of any clear guidance as to exactly how and where the additional 6,600 dpa will be found it is difficult to see how a housing target in a local plan would not be in general conformity if it made provision for the figure in Table 3.1 and no more. There is no mechanism in the FALP to indicate how the 6,600 dpa would be apportioned or distributed. Without this I do not see how the Mayor can guarantee the delivery of the additional 6,600 dpa necessary to meet the identified need.

34. I say above why I do not consider that London Boroughs should be required to carry out their own assessments of overall need. I consider the SHLAA in more detail below but, for the reasons given, I find that it provides a reasonably accurate picture with regard to capacity. It is not easy to see, therefore, where London Boroughs would find additional sources of supply. Capacity could be increased but I have significant concerns regarding whether higher densities can or should always be sought or achieved[19].

35. The PPG advises that the degree of co-operation between boroughs will depend on the extent to which strategic issues have already been addressed in the London Plan[20]. Further, given that the minimum targets in Table 3.1 are based on the SHLAA's estimate of capacity in each Borough, it is difficult to see how co-operation between them will increase supply. Table 3.19 of the SHLAA compares the capacity within Boroughs to the 2012 DCLG household projections. In all but 9 Boroughs the projections exceed capacity with a total annual shortfall of 10,200. Outer Boroughs could seek help from their neighbours beyond the GLA boundaries but the FALP is not predicated on such an approach.

[19] Higher than the densities set out in the Sustainable Density Quality (SRQ) Density Matrix (London Plan Table 3.2, unchanged by the FALP)
[20] Reference ID: 9-007-20140306

The Strategic Housing Land Availability Assessment

36. The figures in Table 3.1 derive from the SHLAA. The SHLAA is London wide, it is a huge undertaking and given the number of sites, it would be unrealistic to expect 100% accuracy. Questions are raised with regard to the treatment of small sites and the assumptions made about the delivery and timing of others. The Mayor worked with the London Boroughs and others in the production of the SHLAA and its results are generally supported. It is argued that the estimates for small sites do not take local conservation and character designations into account. However, the estimates are based on the figures for such development over a 10 year period and, unless local designations are new, should have taken their impact on development into account. The 10 year trend also includes the recession and, in the absence of any alternative London wide analysis, I consider the small sites figures in the SHLAA to be a reasonable assessment of capacity. With regard to large sites, I have neither heard nor read anything to lead me to question the Mayor's assertion that the assumed capacity figures are policy compliant[21] and that the SHLAA incorporates sensitivity testing. Consequently, I consider that the SHLAA provides a reasonable estimate of capacity.

37. It is not enough to identify capacity. Delivery is critical to meeting the pressing need for new housing in London and one must consider whether and when these sites will deliver the number of homes envisaged in the SHLAA. The SHLAA identifies sites with planning permission and those allocated in development plans. Although it is reasonable to consider sites with planning permission as commitments, the Mayor's 'Barriers to Housing Delivery – Update' of July 2014[22] looked at sites of 20 dwellings or more and reports that only about half of the total number of dwellings granted planning permission every year are built. This can also be seen in Table 3.20 of the SHLAA which shows average completions between 2004-2012 of 24,694 pa compared to an average of 58,167 dwellings permitted each year.

38. The average rate of 24,694 between 2004 and 2012 included the pre-recession boom years. The average rate only fell to 23,281 between 2008-2012 indicating that the recession did not hit the house building industry in London as hard as it did elsewhere (and also indicates that the average pre-recession rates can't have been much higher than 24,694). This puts an annual target of 42,000 dpa in context and illustrates that achieving it would represent a significant increase above historical levels.

39. The SHLAA includes a sophisticated phasing system which identifies committed, allocated and other high probability sites in phases 2 and 3 (2015 to 2025, Phase 1 being up to 2015). However, most of the sites in the SHLAA are previously developed. Many are occupied by existing uses and/or are contaminated or have other constraints such as multiple ownerships or environmental issues[23]. It will take time for these obstacles to be overcome (and money). Opportunity Areas provide a large chunk of the capacity but will not be delivered quickly. Further, the new targets in Table 3.1 will also need to be worked through to new allocations in Borough's Local Plans.

[21] For example; amenity, open space and social infrastructure requirements, environmental or heritage matters and flood risk.
[22] FA/BD/103
[23] FA/KD/10

40. Even if it can be achieved, 49,000 dpa meets objectively assessed needs (and backlog) over 20 years. The PPG states that local planning authorities should aim to deal with any undersupply in 5 years[24]. No build rate figure is given to indicate how many new homes would be needed to address the undersupply in 5 years but, as stated above, the rate would need to be 62,000 dpa to meet London's needs in 10 years. That is the total need to 2025 not just undersupply but it is highly likely that the number of homes required to meet need and the undersupply in 5 years would be greater than 49,000 dpa.

41. Reaching 49,000 dpa requires densities to be increased. The Mayor argues that an increase in one PTAL level[25] justifies an increase in assumed density. That may be so but it depends on the infrastructure being put in place to improve accessibility. I heard and have no doubt that TfL are working hard to improve London's transport system but it will not be achieved overnight nor will all areas benefit. The impact on increasing densities on townscapes[26], existing communities and on social and physical infrastructure also needs to be considered.

42. It cannot be assumed, in my view, that it will be appropriate to increase densities over the existing Density Matrix guidelines in all cases. Town centres are accessible locations but each has its own character which new development should respect. Opportunity Areas and large sites have the potential to determine their own character and identity but they should still have regard to their surroundings. Meeting the pressing need for housing in London will require new, innovative and possibly unpopular solutions but care must be taken not to damage its environment such that it becomes an unpleasant place to visit, live and work.

Affordable Housing

43. The FALP makes few changes to the London Plan's polices relating to affordable housing. The most significant being; increasing the annual target from 13,200 to 17,000 affordable homes per year, changes to the income thresholds and the application of eligibility criteria for intermediate housing and requiring developers to submit appraisals to demonstrate that they are maximising the provision of affordable housing. The definition of affordable housing is not changed and is not a matter for the EiP.

44. The Mayor acknowledges that the FALP target falls short of the need for 25,600 affordable dpa identified in the SHMA. There are calls to increase the target and to require developers to accept higher proportions of affordable houses but the target must be realistic and viable and plans must be deliverable[27]. The Viability Assessment which accompanies the SHLAA[28] assumed, amongst other things, that affordable housing would be provided in accordance with existing policy requirements. 17,000 dpa represents about 40% of the 42,389 dpa target set in Table 3.1 which is consistent with the proportion set in the current plan (overall target; 32,210 - affordable housing target; 13,200). The viability assessment is a high level study and there may

[24] Reference ID: 3-035-20140306
[25] Public Transport Accessibility Level
[26] Including the historic environment
[27] NPPF, paragraphs 173 to 177
[28] FA/KD/11

be opportunities for achieving more. However, I am satisfied that the assessment demonstrates that the 17,000 dpa target can be achieved without putting the delivery of housing at risk.

45. The FALP increases the upper income limit for eligibility for intermediate housing from £64,300 to £66,000 for one and two bed homes and from £77,200 to 80,000 for 3+ beds. In both cases the lower end of the range is unchanged at £18,100. The upper thresholds are set by dividing the lower quartile London house price by 3.5 (a typical mortgage multiplier).

46. The Mayor accepted at the EiP that in certain parts of London people earning below the upper threshold could afford housing on the open market. The NPPF defines affordable housing as *'social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market'*[29]. It goes on to state that; *'Eligibility is determined with regard to local incomes and local house prices'*. The income eligibility thresholds set in the FALP are based on London wide house prices and, although the GLA argue that there are safeguards in place to prevent affordable housing 'tourism', the approach to intermediate housing in the FALP does not accord with national guidance.

47. The FALP deletes text which allowed eligibility criteria to be set locally to recognise the individual characteristics of local housing markets. London Boroughs would still be able to set local criteria but I consider that the deleted text provides greater clarity and should be reinstated with the FALP thresholds becoming the default position where local income criteria are not set (**IRC2**). Where local eligibility criteria are set the FALP limits their application to 3 months from the point of initial marketing. Some London Boroughs contend that 3 months is too short but I agree with the Mayor that it is important that homes that can meet a need do not stand empty. Boroughs should, through Section 106 Agreements, be able to require developers to notify them in advance of or agree a date for marketing and ensure that local people are aware. However, I do agree that Boroughs should be able to apply local eligibility criteria at the point of re sale or re let (**IRC2**)[30].

48. The requirement for developers to provide appraisals to demonstrate that schemes maximise the provision of affordable housing is welcomed. I understand the frustrations expressed by many representors but it is not possible to require developers to divulge commercially confidential information.

Housing for the elderly

49. According to 'Assessing Potential Demand for Older Persons Housing in London'[31] there is an annual net requirement for 3,900 specialist homes for the elderly (2015 to 2025). The authors used data from the 2011 census to produce individual benchmarks for each London Borough and these are set out in Table A5.1. The table also gives an indication of tenure split.

[29] Annex 2: Glossary
[30] I asked further questions regarding intermediate housing after the close of the hearings. See FA/EX/77.
[31] FA/KD/13

50. The data supporting the benchmarks is challenged and I have seen evidence from one London Borough which indicates that the number of care home beds in its area may have been underestimated. However, there can be no doubt that we have an aging population and the Mayor's study reports a lack of new schemes and that a significant amount of the existing affordable rented stock is not fit to house frail older people. Further, the indicative benchmarks in Table 5.1 have been produced to inform the production of local plans and are not targets. The glossary to the FALP includes a definition of specialist housing for older people which should aid Boroughs both in formulating their strategies and in monitoring. It is right, in my view, that the FALP should provide strategic guidance in this regard and require London Boroughs to identify and address the needs of the elderly.

Student accommodation

51. The Mayor's Academic Forum[32] considered issues including student numbers, types of provision and distribution and made a number of recommendations to be carried forward into the FALP[33]. Not all the members of the Forum agreed with its recommendations and I heard from some who consider the requirement for between 20,000 to 31,000 (2015 to 2025) bed spaces to be too low. I appreciate that the data used by the Forum is around two years old. However, its recommendations are based on a thorough analysis of past and current student numbers, population projections and an evidence based assumption of the proportion of the student population that would be accommodated in purpose built accommodation[34]. I have seen no equally thorough analysis and am satisfied that the FALP's target is supported by reliable evidence.

52. The FALP encourages a dispersal of student accommodation away from the areas of greater concentration in central London. I appreciate the advantages of students living close to their place of learning but student housing has the potential to contribute to the regeneration and diversification of town centres and to the FALP's aim of addressing London's housing needs by increasing densities in town centres. Student accommodation operates differently to normal rented accommodation and securing and providing affordable student housing provides unique challenges. However, I don't doubt there is a need and it is not for the FALP to set out the detailed mechanisms for securing affordable student accommodation.

Other matters

Housing Standards Review

53. In response to a suggestion from the Secretary of State[35] the Mayor proposes a minor change to the Overview and Introduction chapter of the Plan to indicate that a minor alteration will be made at the appropriate time to align the Plan with the Review[36].

[32] The Forum includes representatives from universities, London Boroughs and providers of student accommodation.
[33] FA/KD/14
[34] For a more detailed explanation of the approach see FA/BD/14 or 01/Session 4, paragraphs 4b1 to 4b20
[35] FA/EX/67
[36] FA/EX/65

London's Living Spaces and Places

54. The FALP's housing target and the need to provide the schools, jobs, health services and other infrastructure to support this increase in new homes will put significant stress on London's existing built environment and its communities. The Plan includes policies which seek to protect local character, heritage assets, open spaces and to create attractive lifetime neighbourhoods[37] with the facilities communities need and, in theory, therefore, the FALP includes the tools to ensure that growth is properly managed. However, the Mayor's representative conceded at the EiP hearings that there would be winners and losers. I am concerned that the strategy of accommodating the development necessary for London's growth within its existing built confines[38] will place unacceptable pressures on the city's communities and environment.

Conclusions

55. I am satisfied that the Mayor's population and household projections, SHMA and SHLAA are based on good evidence and robust methodology. The household projections and the SHMA point to the urgent need to address the requirement for new housing in London. The GLA is exploring ways to address the need and through the FALP seeking to provide a solution. In addition to the measures described above the Mayor is seeking to reduce the number of vacant homes and encouraging alternative sources of supply such as self build and the private rented sector which can deliver houses faster than traditional build for sale schemes. This is to be supported as is the focus on regeneration and meeting London's needs through the development of brownfield land. However, the strategy has significant and potentially serious implications for delivery and for existing communities which will have to face the consequences of intensifying development in the existing built up area.

56. The targets set in Table 3.1 will not provide sufficient housing to meet objectively assessed need and I am not persuaded that the FALP can ensure that the additional 6,600 dpa will be delivered. Nor do I consider that the Mayor can rely on paragraph 47 of the NPPF or the duty to co-operate to make London Boroughs provide more. It is not enough to grant planning permissions, homes have to be built and the target rate of 42,000 dpa is significantly higher than has been achieved since 2004 and the boom years before the recession.

57. The evidence before me strongly suggests that the existing London Plan strategy will not deliver sufficient homes to meet objectively assessed need. The Mayor has committed to a review of the London Plan in 2016 but I do not consider that London can afford to wait until then and recommend that a review commences as soon as the FALP is adopted in 2015 (**IRC3**). In my view, the Mayor needs to explore options beyond the existing philosophy of the London Plan. That may, in the absence of a wider regional strategy to assess the options for growth and to plan and co-ordinate that growth, include engaging local planning authorities beyond the GLA's boundaries in discussions regarding the evolution of our capital city.

[37] Including significant changes to Policy 7.15 relating to managing the impact of noise, which subject to the Mayor's proposed changes, I support.
[38] FA/EX/08; Deputy Mayor's Opening Address

58. Non adoption of the FALP would result in the retention of the existing housing targets in the London Plan (32,210 dpa[39]) which are woefully short of what is needed. Despite my reservations, therefore, I consider that, subject to a commitment to an immediate review, the FALP should be adopted as not to do so would perpetuate the existing under delivery by not requiring Boroughs to increase supply.

Issue 4 – Whether the FALP's strategies and policies enable London Boroughs to meet the need for employment in Greater London.

59. The FALP does not set a target for employment but predicts that the number of jobs could increase from 4.9m in 2011 to 5.8m in 2036[40]. Community groups question the assumptions made in arriving at this figure and the reliance on a survey carried out in 2009 (a more recent study relating to offices was published in 2014). The Mayor acknowledges that predicting levels of employment is not easy but, based on historical trend data, is confident that the projected level of growth over the plan period is as accurate as it can be. With regard to the 2014 office study, uncertainties over forecasts for office floor space and density assumptions led the GLA to conclude that it was safer to rely on the long term trends. I have neither heard not seen anything to lead me to doubt the Mayor's assertion that past historical projections have performed reasonably well. Further, The City of London and industry representors support the FALP projection.

60. Historic data also captures the interconnections between the different sectors of London's complex economy. I have seen no evidence to show that the FALP ignores small businesses or the contribution they make. I heard complaints that small businesses are being squeezed out but the London Plan encourages and supports diversity, small businesses and local economies and the provision of suitable work spaces in terms of type, size and cost. Representors argue that the Mayor does not have an understanding of micro economies and the benefits arising from small businesses being located close together. However, I have seen nothing to suggest that the projections are not based on data relating to the whole economy. Further, the FALP is a strategic plan. The NPPF requires local planning authorities, in preparing local plans, to demonstrate an understanding of the needs of businesses in their area and I see nothing in the FALP to prevent them from doing this.

61. Policy 4.4, which seeks to ensure the provision of a sufficient stock of land and premises is not proposed to be changed but a change to paragraph 4.23 would allow the release of surplus industrial land. This accords with national policy[41] and the need for housing is such that it would be wrong to prevent the re use of industrial land which has no reasonable prospect of being used for employment.

62. In response to the loss of small scale offices to higher value residential and the recommendations of the London Office Review Panel, Policy 4.3 is proposed to be altered to enable Boroughs to protect small scale offices within the Central Activities Zone (CAZ). The policy would also require residential development in the CAZ to compensate for the loss of offices by contributing

[39] Table 3.1; 2011 London Plan
[40] Paragraph 1.24
[41] NPPF, paragraph 22

to the provision of new offices nearby. Boroughs would only be able to do so through their local plans and where supported by local and strategic demand assessments.

63. The change is resisted and it is argued that, amongst other things, it could require the conversion of a single office to one flat to compensate by providing an office elsewhere in the CAZ. This is likely to prove difficult, if not impossible, for the owners with a single property or building. However, research commissioned by the City of London indicates that a pool of smaller, not highly specified and lower cost offices is vital to its economy. Without protection this important resource could be lost and I consider the changes to Policy 4.3 to be justified.

Conclusions

64. Subject to the changes proposed by the Mayor, I conclude that the FALP's strategies and policies will enable London Boroughs to meet the need for employment in Greater London.

Issue 5 – Whether the FALP's strategies and policies will enable London Boroughs to meet the need for retail development in Greater London.

65. National guidance states that planning policies should promote competitive town centre environments and set out policies for the management and growth of centres[42]. The NPPF also requires plan makers to use their evidence base to assess the need for retail floorspace over the plan period[43]. The FALP identifies a need for between 0.9 net to 2.2 million gross[44] m² of comparison goods retail floorspace by 2036 (0.4 net to 1.6 million gross m² if schemes in the pipeline are taken into account). Targets for convenience shopping are left to be determined at Borough level where local data and knowledge is more critical.

66. The above figures come from the Consumer Expenditure and Comparison Goods Floorspace Need in London study of October 2013[45]. The study uses accepted methodology and is fine-tuned with London's particular characteristics in mind (e.g. greater use of public transport than other parts of the country). As with housing and employment projections this is not an exact science. For example, the Mayor acknowledges that not all existing vacant retail space will meet modern requirements and such space may not always be in the right place. Consequently, the net figures may be too low. However, the study's findings are generally accepted by representors from the industry. I have seen no better evidence nor have I good reason to disagree with the Mayor's conclusion that the need for comparison goods floorspace will fall within the range identified in the FALP.

67. The level of growth is not as high as that predicted by a study undertaken in 2009 which informed the 2011 London Plan. This is partly down to the recession and to changes in consumer behaviour including the increase in on

[42] Paragraph 23
[43] Paragraph 161
[44] The net figures assume that all existing vacant floorspace is used up, the gross figure is in addition to the stock of existing vacant floorspace.
[45] FA/KD/15

line retailing. The Outer London Commission Third Report[46] (July 2014) found that whilst weaker Major and many District centres may struggle as a result of the expansion in shopping on line, International and stronger Metropolitan and Major centres are most likely to be able to attract continued investment.

68. Whilst this is disputed there can be little doubt that the internet has changed how we shop and that some town centres have suffered as a result. Policy 2.15 is proposed to be altered to encourage Boroughs to ensure that changes in consumer behaviour are taken into account and to manage and minimise any detrimental impacts. That may involve restructuring and the introduction of new, non-retail such as residential, which as well as meeting housing need is likely to improve footfall. I see nothing in these changes to encourage decline nor anything which seeks to marginalise smaller, independent retailers.

69. Policy 2.15Dc3 and Policy 4.8B(c & g) recognise the benefits of clusters of uses, the importance of local shops and services and encourage the re use of surplus commercial floorspace to meet the needs of communities. Policy 4.9, which is not proposed to be changed, encourages decision makers to secure affordable shop units for independent traders in large retail schemes. The strengthening of paragraph 4.48A with respect to the retention of public houses was welcomed by most participants at the EiP[47].

Retail centre classifications

70. Town centres are classified in Table A2.1 according to their existing role and function[48]. The review of classifications for the FALP was informed by the Consumer Expenditure study referred to above, the 2013 London Town Centre Health Check[49] and the 2012 London Office Policy Review[50] and is based on 9 core indicators which include, amongst other things, scale, function and accessibility.

71. It is the GLA's principle not to classify or reclassify a centre until it has proven that it is operating at the required level. The Mayor has considered evidence submitted in response to the FALP consultation and agreed to change the classification of some centres. I consider that an evidence based approach is justified and to classify a centre, as say a District centre, before it has demonstrated that it has the required characteristics would not be sound. Consequently, I do not agree that the Earls Court and West Kensington Opportunity Area should be classified as a District Centre. Further, whilst the Mayor acknowledges that Canary Wharf has some public service functions, I have neither read nor heard anything to question his view that they are not sufficient to warrant promotion to a Metropolitan centre.

72. Policy 4.2 sets out the Plan's approach to provision of offices and Table A2.1 lists those centres considered suitable for speculative office development (A) and those where, although some office use could be promoted as part of

[46] FA/BD/04
[47] Suggested change 4.5
[48] International, Metropolitan, Major, District, CAZ Frontage
[49] FA/KD/16, 16a & 16B
[50] FA/KD/17

mixed use schemes, a loss of overall office stock may be acceptable (B)[51]. The London Boroughs of Bromley and Kingston upon Thames are unhappy with the demotion of their centres but the decision to do so is supported by the London Town Centre Health Check and the 2012 London Office Policy Review. The change in designation does not preclude either Borough from permitting schemes for office development in their town centres.

Conclusions

73. Subject to the changes proposed by the Mayor, I conclude that the FALP's strategies and policies will enable London Boroughs to meet the need for retail development in Greater London.

Issue 6 – Whether the FALP's aim of achieving waste self-sufficiency for London by 2026 is realistic.

74. The policies relating to waste were subject to a host of suggested changes following the FALP consultation and further suggested changes during the hearings. The majority of suggested changes relate to the use of terminology and are welcomed by the Environment Agency and most other participants.

75. The FALP changes Policy 5.16 by, amongst other things, bringing forward the date by which all of London's waste would be managed within London from 2031 to 2026. It also brings forward the aim of not sending biodegradable or recyclable waste to landfill from 2031 to 2026. The targets have been brought forward in an attempt to speed up waste planning in London and to encourage the adoption of waste plans. The drive to self-sufficiency is welcomed, particularly by waste planning authorities outside London, but concerns are raised regarding whether the FALP does enough to meet these targets.

76. Before I consider that question, the evidence relating to the existing and projected levels of waste arisings is challenged. It is argued that the data is flawed as, amongst other things, it does not take account of waste disposed of at scrap yards (cars, white goods) and I am urged to commit the Mayor to a comprehensive analysis to inform the wholesale review of the Plan. That is not for me to determine but for the purposes of the FALP, the Mayor has commissioned an independent review which considers the GLA's approach to forecasting waste arisings[52]. The authors point to some uncertainties, including the impact of an increasing population on previously falling levels of household waste and the impact of employment growth on construction and industrial waste but generally conclude that the GLA's approach is valid.

77. FSC5.3 makes it clear that the apportionment figures set for Boroughs are not maxima and that they should identify suitable additional sites for managing waste where practicable. The mechanisms for achieving the targets set in Policy 5.16A are outlined in part B of the same policy and are not proposed to be changed. These include targets for recycling/composting and re use of construction, excavation and demolition waste to be met by 2015 and 2020. It is for London's Boroughs/Waste Planning Authorities to develop these aims

[51] There is an additional CAZ designation for the West End and Knightsbridge. Not all centres are designated A or B. All International and Metropolitan centres and most Major centres are designated; the majority of District centres are not designated.
[52] FA/KD/31, 32 & 33

at the local level and, given the lack of progress, I consider the pressure that will be brought to bear by bringing forward the target to be justified.

78. I heard that the methodology for apportioning waste is the same as that used and found sound in previous London Plan examinations and the figures in Tables 5.2 and 5.3 reflect the latest data. I have some sympathy with those Boroughs which may, because of the designation of a Mayoral Development Corporation (MDC), lose their planning functions in parts of their areas. It cannot be right, in my view, that in such cases, the responsibility for meeting the apportionment should fall wholly on the Borough. **IRC4** proposes the insertion of text into paragraph 5.80 to the effect that the Borough and MDC/s share the responsibility for meeting the apportionment figure for the Borough.

79. The approach to waste in the London Plan and FALP was guided by Planning Policy Statement 10: Planning for Sustainable Waste Management (PPS10). That guidance was replaced in October 2014 by an update to the PPG. I sought the Mayor's view on the implications of the differences between PPS10 and the PPG for the FALP[53]. It is the Mayor's view, and I agree, that the FALP generally complies with the thrust of the PPG and that any deviation from the PPG is not so significant that it cannot wait for the full review of the Plan.

Carbon intensity floor

80. The carbon intensity floor is a standard set for the greenhouse gas performance of technologies which generate electricity from non-recyclable waste. The Municipal Waste Management Strategy[54] tested the performance of four residual municipal waste treatment scenarios against the carbon intensity floor using London borough waste data taken from 2009/10. It showed that by sending their municipal residual waste to incineration or gasification plants operating in combined heat and power mode they would comfortably meet the carbon intensity floor level. This supports the argument that the target could be higher but nothing is submitted to show that a more stringent target would not render development unviable. The Mayor has committed to revisiting the requirement in the full review of the Plan (FSC5.4).

81. The FALP makes provision for situations where a user for the heat generated by a waste to energy plant may not be immediately available. The FALP does this by setting out number of demonstrable steps designed to facilitate the use of heat or to make the plant more efficient[55].

Other matters

82. In my view, it is for the Borough's to consider the implications of locating sensitive uses next to waste management facilities and the ability of those facilities to continue to work effectively. I don't doubt that speculative industrial development may not be best suited for waste management but there is nothing in FALP to prevent the development of suitable buildings.

[53] FA/EX/78
[54] FA/BD/40
[55] Paragraph 5.85B

Conclusions

83. I concluded earlier in this report that, in my view, the Mayor has not met the duty to co-operate with regard to engaging on strategic waste issues with bodies outside London. I also consider that, unlike with development plan documents, this failure is not fatal. In my view, two factors outweigh the failure to meet the duty; (i) bringing forward the date by which London's waste would be managed within London and the date by which no biodegradable or recyclable waste will be sent to landfill will lessen the overall burden on waste management facilities outside London and (ii) the serious adverse impact of not increasing housing delivery targets.

Issue 7 – Whether the FALP's strategies and policies will enable the Mayor, London Boroughs and others to deliver the infrastructure necessary to support the level growth envisaged in the Plan.

Implementation

84. As indicated above the SHLAA is supported by a viability assessment which concludes that some form of development will be viable in almost all London Boroughs. The London Plan contains a range of polices designed to facilitate the provision of physical and social infrastructure. Achieving and supporting a significant increase in housing will require a co-ordinated effort and Policy 8.1C commits the Mayor to working with Boroughs and service and infrastructure providers. Policy 8.1B states that the Mayor will consider promoting the establishment of new MDCs and other vehicles to drive and facilitate development. Community groups express disquiet with regard to MDCs but the FALP requires the Mayor to work with Boroughs and communities. The Mayor is developing a long term infrastructure plan, setting out London's infrastructure needs to 2050[56]. The final version is expected in early 2015 and will inform the full review of the London Plan.

Opportunity Areas

85. Opportunity Areas (OA) are designed to drive regeneration and are an established feature in the London Plan. The FALP introduces some new OAs and proposes changes to others. Concerns regarding the impact of the levels of development proposed on the character of existing areas and local infrastructure are understandable but I have seen nothing to persuade me that high density inevitably means high rise.

86. The FALP includes a brief description of the type and amount of development proposed in each OA and some guiding ideas/principles. Considerably more work and detail will be required which will need to be carried out as a master planning or similar exercise (at least one is subject to an Area Action Plan). This will provide the opportunity for communities to engage and influence how these areas will be developed. I see no need, therefore, to recommend any changes to any of the OAs.

87. The Mayor accepted the suggestion made at the EiP that text should be added to the FALP to enable other OAs to be brought forward should appropriate

[56] FA/BD/91

areas be identified[57]. Given the extent of change usually envisaged, I do not consider it likely that altering the London Plan to include a new OA could be considered so minor as to not warrant consultation. Consequently, I do not share representors' fears that new OAs could be designated without informing or engaging local communities.

Transport

88. The FALP envisages that the projected growth in population and employment will lead to an increase from 25 to about 30 million trips per day by 2031[58]. The strategy of minimising growth in travel and ensuring that it occurs in a sustainable way set out in the adopted London Plan is not changed by the FALP. The FALP updates the list of indicative transport schemes at Table 6.1 and the Mayor suggested changes and agreed to further suggested changes following consultation and discussion at the EiP. The FALP also strengthens the Mayor's aim to maximise the use of the Thames[59] and introduces new text relating to Crossrail 2 and HS2. There were requests at the EiP for additional Crossrail 2 stations but there is insufficient evidence before me to reach a conclusion and, in any event, I do not consider this EiP to be the appropriate place for such decisions.

Cycling and walking

89. In addition to improvements to public transport the FALP seeks to encourage Londoners to cycle and walk. Policy 6.9 commits the Mayor to, amongst other things, implement a network of safe and integrated cycle networks across London, cycle superhighways and to create 'mini Hollands' in up to 4 town centres[60]. Funding has been identified in the TfL Business Plan (£900m) and from other sources[61]. Policy 6.10 requires London Boroughs to use their plans to complete the Walk London Network and to ensure that new development does not have an adverse impact on pedestrian amenity[62]. The changes are generally welcomed and the Mayor agreed to further suggested changes which clarify and improve the plan. Some representors would like the FALP to go further but it is a step/pedal in the right direction and there would be an opportunity to develop matters through the full review of the Plan.

90. The cycle parking requirements in the FALP were informed by a review of parking standards both at home and abroad, assessment of demand and an analysis of trends in cycling[63]. Some representors consider the requirements to be high but the Mayor points to evidence of latent demand (not disputed) and the difficulties of retro fitting cycle parking. The provision of parking is a key element of making cycling a viable alternative to public transport and the car. I consider that the evidence before the EiP supports the cycle parking standards in the FALP (including the further suggested changes in relation to residential development).

Car Parking

[57] FSCA.4
[58] Paragraph 6.9
[59] Paragraphs 7.73 & 7.104
[60] In outer London Boroughs
[61] 01/Session 8, paragraphs 8b1 to 6
[62] Matters such as safety, attractiveness, convenience, information and accessibility.
[63] 01/Session 8, paragraph 8c5

91. The London Plan sets out maximum car parking standards and although some changes are proposed this principle is not changed by the FALP. The PPG, in recognition that limiting parking has led to problems, seeks to ensure that parking provision is not reduced below a level that could be considered reasonable[64]. The NPPF acknowledges that different policies and measures will be appropriate depending on the characteristics of an area[65]. In London space is at a premium and a good range of travel options will often provide a viable and probably better alternative than the car. A representor at the EiP made a very good point that requiring/relaxing the restraints on the provision of car parking spaces, particularly in inner London, would constrain the ability to maximise the delivery of much needed housing and increase its cost in an already expensive market.

92. I consider that the Mayor's encouragement to a restraint based approach to parking provision in inner London and other locations which benefit from good access to public transport to be justified (FSC 6.15). The further alterations Policy 6.13(E)(d) and paragraph 6.45 recognise the need for flexibility in town centres and will allow London Boroughs to tailor standards to their areas as appropriate. Consequently, I find that the FALP is flexible and strikes an appropriate balance.

Other infrastructure

Energy

93. Policy 5.4A commits the Mayor to work with energy companies, London Boroughs, the Government and others to promote strategic investment in electricity and gas infrastructure to accommodate the growth anticipated in the Plan. Some Boroughs are unhappy with the requirement in the policy that they should work with the industry to establish the gas and electricity infrastructure needs arising from their plans. However, the NPPF requires local planning authorities to work with providers to assess the capacity of infrastructure (including energy) and address barriers to investment (and, consequently, delivery)[66].

94. The Mayor has set up the London Electricity High Level Working Group[67] which includes representatives from the public and private sector. Success cannot be guaranteed but I am satisfied that the FALP provides strategic guidance and support for the provision of energy infrastructure.

95. Demand side management measures control the amount of energy used and help reduce carbon dioxide emissions by enabling electrical equipment to be operated at a lower capacity or turned off when it's not needed. I have considered the argument that the FALP should go further than encouraging the use of such measures[68]. However, I am persuaded by the evidence submitted by the Mayor which indicates that there is insufficient knowledge to make it compulsory or set a threshold at this time. The Mayor is hoping that these measures will feature more strongly in future iterations of the Plan.

[64] Reference ID: 42-008-20140306
[65] Paragraph 29
[66] Paragraphs 21 and 162
[67] FA/BD/118
[68] Paragraph 5.22a

Water

96. Policy 5.15 (Water Use and Supplies) is unchanged but its supporting text regarding the prudent use of water is strengthened, requiring all new development to be water efficient and encouraging retrofitting efficiency measures. Retrofitting existing buildings is only likely to be secured through the planning system by requiring it as part of a conversion or development scheme. However, making best use of this limited resource is clearly necessary in the light of Thames Water having no plans to develop new water supplies for London until 2027[69]. I heard that the Mayor is working with Thames Water and social housing providers and schools to introduce water saving measures. Thames Water are also installing smart water meters, replacing leaking mains and providing efficiency advice to households on low incomes.

Digital connectivity

97. Policy 4.11 encourages the provision of information and communications technology. Changes are proposed to the policy and its supporting text which make it less specific with regard to particular technologies. It is argued that the FALP will be less effective as a result. However, given the fast changing nature of digital technology, I agree that it is better to be flexible and avoid using terminology which may date.

Overall Conclusion and Recommendation

98. The consultation version of the FALP has a number of deficiencies most of which are rectified by the suggested changes put forward in July 2014 and the further suggested changes which emerged during and after the EiP hearings. However, for the reasons set out above, I do not recommend that the FALP is adopted without the additional changes set out in Appendix 1.

A Thickett

Inspector

This report is accompanied by Appendix 1 containing the Inspector's Recommended Changes

[69] Environment Agency statement; 048/ Session 9

Appendix 1
Further Alterations to the London Plan Inspector Recommended Changes

SSC; Schedule of Suggested Changes July 2014
FSC; Further Suggested Changes

Change No.	FALP Page No.	Paragraph(P) /SSC/FSC	Recommended Change New text is underlined and deleted text is ~~Struckthrough.~~
IRC1	87 & 88	P3.18	Amend as follows: As context for this boroughs must be mindful that for their LDFs to be found sound they must demonstrate they have sought to boost ~~supply~~ significantly the supply of housing ~~by meeting 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 the Framework~~"~~. Of particular importance in this regard is the overarching national objective to secure sustainable development and the need to secure actual delivery. To address government requirements soundly in the unique circumstances of London means coordinating their implementation across the capital's housing market through the capital's unique two tier planning system where the development plan for an area is composed of the Local Plan and the London Plan, and the Local Plan must be in general conformity with the London Plan.
		FSC3.1 & FSC3.3 3.19i	Amend as follows: To ensure effective local contributions to meeting London's need for 49,000 more homes per annum, Local Plans should therefore demonstrate how individual boroughs intend to~~:~~ ~~□~~ address in terms of Policy 3.3 the relevant minimum housing supply target in Table 3.1~~;~~ ~~□ relate this to their assessment of need carried out in terms of Policy 2.2 and 3.8;~~ and ~~□ address any gap between housing supply and need, and to~~ seek to exceed the target through: o additional sources of housing capacity, especially that to be brought forward from the types of broad location set out in Policy 3.3; ~~o exercise of their Duty to Cooperate with other local planning authorities;~~

Change No.	FALP Page No.	Paragraph(P) /SSC/FSC	Recommended Change New text is underlined and deleted text is ~~Struckthrough.~~
			o collaborative working with other relevant partners including the Mayor, to ensure that the Local Plan is in general conformity with the London Plan and includes final minimum housing targets identified through the above process; and o partnership working with developers, land owners, investors, the Mayor and other relevant agencies to secure the timely translation of approved housing capacity to completions taking account of Policy 3.15.
IRC2	106	P3.62	Amend as follows: To understand London's distinct housing needs and to take account of government guidance to "identify the scale and mix of housing that the local population is likely to need over the plan period which addresses the need for all types of housing, including affordable housing", it must be recognised that lower quartile house prices in London are 74 per cent higher than in the country as a whole, 30 per cent higher than in the South East region and 50 per cent higher than in the East of England. Increased provision of intermediate housing is one of the ways in which the supply of affordable housing can be expanded. The Mayor will work with the Boroughs and other delivery and funding agencies to develop understanding and provision of a range of relevant products, particularly for families. For the purposes of the paragraph 3.61 definition, ~~local~~ eligibility criteria for intermediate housing ~~should~~ may be set locally to recognise the individual characteristics of local housing markets but should not compromise the aim of Policy 3.11 to maximise affordable housing provision. In the absence of local eligibility criteria, in order to recognise strategic housing needs in the particular circumstances of London, the Mayor will seek to ensure that households whose annual income is in the range £18,100-£66,000 should be eligible for new intermediate homes. For family homes (see Glossary) the upper end of this range will be extended to £80,000. These figures will be up-dated annually in the London Plan Annual Monitoring Report. If boroughs wish to set eligibility criteria for intermediate housing below these levels, planning conditions or agreements should secure them at the reduced levels for no more than three months from the point of initial marketing (whether that be when new or at re-sale or re-let) and they should then be offered without further restrictions to those who meet the London-wide eligibility criteria as set out in the London Housing Strategy.

Change No.	FALP Page No.	Paragraph(P) /SSC/FSC	Recommended Change New text is underlined and deleted text is ~~Struckthrough.~~
IRC3	8 & 295	P 0.16 & 8.21	Add the following to the end of paragraph 0.16 and replace the last sentence of paragraph 8.21 with the following: This revision has been driven partly by the realisation that the population of London has grown much faster than was anticipated in the 2011 London Plan. However, the extent to which this unexpected level of growth is structural or cyclical is unknown as is the ability of the Plan's existing strategies and philosophy to successfully accommodate the envisaged level of growth. In light of this a full review of the Plan will commence in 2015.
IRC4	187	5.80	Add the following to the end of the paragraph; Where a Mayoral Development Corporation (MDC) exists or is established within a Borough the MDC will co-operate with the Borough to ensure that the Borough's apportionment requirements are met.