

LBR27/INQ No.13

THE LONDON BOROUGH OF RICHMOND UPON THAMES

TOWN AND COUNTRY PLANNING ACT 1990 – SECTIONS 226(1)(a) AND 226(3)(b)

ACQUISITION OF LAND ACT 1981

THE LONDON BOROUGH OF RICHMOND UPON THAMES (TWICKENHAM RIVERSIDE)

COMPULSORY PURCHASE ORDER 2021

AND

APPLICATION FOR A CERTIFICATE PURSUANT TO SECTION 19 ACQUISITION OF LAND ACT 1981

**NOTE ON LB RICHMOND HOUSING DELIVERY BEHALF OF THE ACQUIRING AUTHORITY
DOCUMENT LBR27**

Iyabo Johnson

Associate Director
Savills

12 June 2023

Introduction

1. During Ms Johnson's presentation of her evidence on Wednesday 8 June, the Inspector sought clarification of the Council's Five Year Housing Land Supply (5YHLS). Ms Johnson confirmed that the borough has a 5YHLS with reliance on the delivery of sites at the latter stage of the five-year period.
2. It was agreed that the Council would provide a note setting out the housing land supply position more fully. Relevant extracts from the LAMR are provided at Appendix 1.

Residential components of the Scheme

3. The Scheme delivers 45 new homes, 50% of which are affordable measured by habitable room. This equates to 21 affordable homes with a tenure split of 81:19 in favour of social rent.

Development Plan housing targets

4. Policy H1 together with table 4.1 in the London Plan (**CD 2.02**) sets the ten year targets for net housing completions in the Borough. The supporting text at paragraph 4.1.2 sets out that for the purposes of the Plan, London is considered as a single housing market area with a series of complex and interlinked sub-markets. It goes on to state that the advantage of strategic planning is that it allows London to focus development in the most sustainable locations, allowing all of London's land use needs to be planned for with an understanding of how best to deliver them across the capital.
5. Table 4.1 identifies a ten year net housing completions target for LBRuT of 4,110. However, paragraph 0.0.22 in the introduction to the London Plan, emphasises that "the Plan does not meet all of London's identified development needs".
6. At the local level, Local Plan Policy LP34 (New Housing) (**CD 2.04**) outlines the Borough's housing target of 3,150 new homes for the 2015-2025 period, continuing that this target will be rolled forward until it is revised by the London Plan target. The policy states that the Council will exceed the minimum strategic dwelling requirement, where this can be achieved in accordance with other Local Plan policies. Part (B) of the policy indicates that Twickenham can accommodate approximately 1000-1050 new homes.
7. The Regulation 18 draft of the emerging Local Plan adopts the 4,110 ten year housing target from the London Plan. As with the adopted Local Plan, policy 10 in the draft plan states that the Council will exceed the minimum strategic dwelling requirement, where this can be achieved in accordance with other Local Plan policies. Table B in the draft policy

identifies indicative housing delivery targets in broad areas of the borough. Twickenham is identified as delivering between 1,100 and 1,200 homes over a ten year period.

The Five Year Housing Land Supply (5YHLS)

8. The Council published its Local Authority Monitoring Report for Housing (LAMR) for the financial year 2021/22 on 30 March 2023. Relevant extracts are provided at Appendix 1.
9. Paragraph 74 of the National Planning Policy Framework states that local planning authorities should identify and update annually a supply of specific deliverables sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old. The Council's local plan was adopted in 2018 and the London Plan was adopted in 2021.
10. A five year supply of housing is identified in the LAMR (pages 8 and 9). The LAMR sets out how sites are identified for the purpose of maintaining the borough's 5YHLS. Sites have been identified on the basis of them meeting the following requirements:
 - Sites that are allocated for housing in in adopted/emerging Plans + other identified large sites coming forward (with up-to-date information) assessed as deliverable within 5 years
 - Sites that have planning permission (either outline or full planning permission not implemented) assessed as deliverable within 5 years
 - Sites under construction assessed as deliverable within 5 years
 - All conversion sites under construction
 - All conversion sites with full planning permission
 - All conversion sites with prior notification approval under construction
 - All conversion sites with prior notification approval
11. The Council has identified a potential 2,308 dwellings over the 5-year period, which exceeds the remaining 2,192 target in the London Plan 2021, resulting in a 5-year supply of 5.3 years. This includes the contribution of 45 dwellings from the Scheme Land.
12. A housing delivery trajectory (as at 1 April 2022) is set out at figure 3 of the LAMR. The trajectory includes indicative phasing to reflect the expected pattern over individual years. The LAMR states that it is expected that delivery will be higher than identified in the later years of the five-year period as sites not identified progress through the planning system.



Figure 1 LBRuT Housing Trajectory as at 1 April 2022 (page 9 of the LAMR)

13. The LAMR is supported by Housing Trajectory and Summary Tables. These tables break the 5 year trajectory down by site. This shows the Scheme Land as a “deliverable site” delivering a net uplift of 45 dwellings in a mix of open market and affordable tenures in the latter phase of the 5-year period.

Affordable Housing

14. The supporting text of policy LP 36 of the Local Plan states that the Borough has one of the highest average house prices in the UK and a continuing need for affordable housing (paragraph 9.3.1). The supporting text goes on to state that in the period 2014 to 2033 a net deficit of 964 homes per annum is identified in the Borough, demonstrating the need for affordable homes remains substantial and justifies the continued policy approach.

15. Policy LP 36 of the adopted local plan states 50% of all housing units will be affordable housing, this 50% will comprise a tenure mix of 40% of the affordable housing for rent and 10% of the affordable intermediate housing.

16. In the year 2021/22, only 13% of units (i.e. 22 units, all of which were shared ownership) were delivered as affordable, all of which were from large sites). The Local Housing Needs Assessment in Richmond estimates a net annual need of 1,123 affordable rented and 552 affordable home ownership products to be provided between 2021-2039.

Appendix 1

Relevant extracts from the LBRuT Local Authority Monitoring – Housing 2021/22

Local Plan Authority Monitoring Report – Housing – 2021/22

Planning

30 March 2023

Local Plan Authority Monitoring Report - Housing

Summary Position Statement, March 2023

Covering financial year 2021/22

Housing starts, completions and pipeline

The London Borough of Richmond upon Thames' housing target is set in the London Plan.

The London Plan 2021 was published on 2nd March 2021 and set a new 10-year housing target of 4,110 for net housing completions (2021/22 -2030/31), and a 10-year target for net housing completions on small sites (below 0.25 hectares in size) of 2,340 homes.

Net additional dwellings for the reporting year

A net gain of 164 residential units were completed in 2021/22.

Future Housing Supply and Implementation Strategy - Housing Trajectory as of 1st April 2022

While previous AMRs have demonstrated against past London Plan targets delivery over plan periods have been significantly exceeded, Table 1 in the accompanying summary tables spreadsheet shows that housing completions in 2021/22 fell short of the new target of 411 net completions per year.

Housing Delivery Test

In January 2022, the Government published their 2021 Housing Delivery Test (HDT) results that measure net additional dwellings provided in a local authority area against the homes required. This latest HDT looks at the cumulative housing target achieved for the three-year period of 2018/19 to 2020/21. The results¹ showed 877 homes delivered against a target of 813 homes required, a measurement of 108% and therefore no action required. Previous Housing Delivery Test results for 2017/18 to 2019/20 recorded 1,024 homes delivered against a target of 918 homes required, a measurement of 112% and therefore no action required. The results of the 2019 Housing Delivery Test for Richmond showed 1,147 homes delivery 2016/17 to 2019/20 against 945 homes requirement, a measurement of 121% and therefore no action required.

5-year housing land supply

The National Planning Policy Framework (NPPF) requires Local Planning Authorities to identify annually and maintain a rolling 5-year housing land supply. Sites for inclusion should be specific and deliverable – the NPPF definition sets out sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years, with further guidance in national Planning Practice Guidance². Each site has been assessed for its deliverability, in discussions with officers in development management and using monitoring resources, for clear evidence that completions will begin within five years, to accord with NPPF and PPG guidance. Table 3 in the accompanying spreadsheet shows the Council has identified a potential 2,308 units over the 5-year period (2022/23 to 2026/27).

The new London Plan includes Policy H2 Small Sites seeking to expand supply from this current underutilised source. London Plan Policy H2 sets out that boroughs should pro-actively support well-designed new homes on small sites, including through planning decisions, and should recognise in their development plans that local character evolves over time and will need to change in appropriate locations to accommodate additional housing on small sites. The detailed approach in the London Plan has full weight in decision-making.

¹ <https://www.london.gov.uk/what-we-do/planning/digital-planning/housing-delivery-test-london-2020-21> which confirmed a revised housing flow return due to a change in the GLA methodology for monitoring

² <https://www.gov.uk/guidance/housing-supply-and-delivery>

Also taken into consideration:

Recovered appeal: land to the east of Newport Road and to the east and west of Cranfield Road, Woburn Sands (ref: 3169314 - 25 June 2020) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/894813/Combined_DL_IR_R_to_C_Newport_Road_Woburn_Sands.pdf

East Northamptonshire Council v Secretary of State for Housing, Communities and Local Government <https://cached.offlinehbpl.hbpl.co.uk/NewsAttachments/RLP/CO009192020.pdf>

At the time of writing, the longer-term implications arising from the Covid-19 pandemic remain uncertain, however nationally appeal decisions have recognised the 5-year supply is concerned only with the number of deliverable sites, and that figure is entirely separate from the number of houses actually built and occupied, and that effects may be short-term. Although, in terms of delivery, the Government's Housing Delivery Test 2021 (published January 2022) reduced the measurement for the 2019/20 and 2020/21 monitoring years to account for the variations in housing delivery and construction industry disruption due to the Covid-19 pandemic.

The supporting text in the London Plan sets out that incremental intensification of existing residential areas within PTALs (Public Transport Accessibility Level) 3-6 or within 800m distance of a station or town centre boundary is expected to play a significant role in contributing towards the housing targets for small sites. It states this can take a number of forms, such as: new build, infill development, residential conversions, redevelopment, or extension of existing buildings, including non-residential buildings and residential garages, where this results in net additional housing provision. It is therefore justified to consider an increase in small sites delivery in the borough, compared to the average in recent years. Further detailed design guidance to aid policy implementation is being prepared by the GLA³, taking a design-led approach to make the most of the land available.

The new small sites target for the borough at Table 4.2 in the London Plan, equating to 234 homes per annum, sets a minimum baseline which the GLA expects to be exceeded, particularly in outer London, as paragraph 4.2.5 sets out it represents a small amount of the potential for intensification. The London Plan at paragraph 4.1.8 states that “The allowance for windfall sites (that are not specifically identified) is considered appropriate given the policy framework set out in the London Plan; the capital’s reliance on recycled brownfield sites in other active land uses; and the number of additional homes expected to be provided via incremental intensification of existing residential areas.” It recognises that because of the nature of some sites, including the particular incremental characteristics of small sites, boroughs are supported in using windfall assumptions in their five-year housing trajectories based on the numbers set out in Table 4.2. It is therefore considered appropriate to include a windfall of 234 homes per annum from years three to five in the five-year housing land supply. Average net completions on small sites 2013/14 to 2021/22 have been averaging 156 homes per annum.

In addition, higher windfall assumptions are considered justified due to the Government’s introduction of further Permitted Development Rights. Since 2020 making it easier to extend certain buildings upwards to increase housing density and the residential redevelopment of vacant and redundant buildings. These were part of radical reforms to the planning system announced by the Government to give greater freedom to create new homes, to kickstart the construction industry and speed up housebuilding by removing unnecessary red tape. Following the introduction of the new Class E for commercial, business and service uses, from 2021 Government introduced new Permitted Development Rights enabling Class E floorspace to be converted to residential. While the Council made a non-immediate Article 4 Direction to remove permitted development covering much of the borough’s centres and parades and designated employment locations, following Government intervention, a modified Direction was confirmed in 2022 covering a reduced area, and there are opportunities outside of these parts of the borough’s centres and designated employment areas covered by the Article 4. Future monitoring of site types will continue to keep under review.

The London Plan at paragraph 4.1.10 also recognises that the increase in housing delivery required by the targets in Table 4.1 may be achieved gradually and boroughs are encouraged to set out a realistic and, where appropriate, stepped housing delivery target over a ten-year period.

Work on the new Richmond Local Plan is underway⁴, with a Direction of Travel consultation⁵ completed in Spring 2020 including a call for sites and consultation on the ‘Pre-Publication’ Draft Local Plan (Regulation 18)⁶ undertaken from December 2021 to January 2022. 33 responses were received on the initial call for sites and have been considered in progressing the preparation of the new Local Plan, with 8 new site allocations added to the Draft Local Plan (Regulation 18), to positively plan for delivering housing and other future needs. The consultation on the ‘Publication’ Draft Local Plan (Regulation 19) is expected to start in May 2023. The draft Richmond Local Plan sets out a stepped housing delivery target to enable the higher housing target in the London Plan 2021 to be met over a ten-year period, justified given the considerable increase expected in small sites delivery whereby there will be a time lag for the change in the policy context towards incremental intensification to result in proposals coming forward, and given some identified large sites are expected to deliver in years five to ten. The new and existing site allocations will continue to be kept under review for inclusion in the future housing land supply, as the Local Plan preparation continues and developers bring forward schemes. The Council’s recent Affordable Housing Update to the Adult Social Services, Health and Housing Committee on 7 June 2022⁷ estimates 89 affordable homes completions in 2022/23 as forecasts currently stand, with completions anticipated to increase considerably from 2023/24 to 2024/25 and continues to note estimates of delivery over the next ten years identify the potential to deliver over 1,000 affordable homes.

³ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/london-plan-guidance-and-spgs/good-quality-homes-all-londoners-consultation-draft> – the GLA are taking forward as four separate LPGs (London Plan Guidance) which will be subject to further consultation in 2022

⁴ In accordance with the Local Development Scheme

https://www.richmond.gov.uk/services/planning/planning_policy/local_plan/local_development_scheme

⁵ https://www.richmond.gov.uk/services/planning/planning_policy/local_plan/new_local_plan_direction_of_travel_engagement

⁶ https://www.richmond.gov.uk/services/planning/planning_policy/local_plan/draft_local_plan/draft_local_plan_pre_publication_version

⁷ <https://cabnet.richmond.gov.uk/documents/s97324/Affordable%20Housing%20Update%20Report%207.6.22.pdf>
<https://cabnet.richmond.gov.uk/ieListDocuments.aspx?CId=798&MId=5343>

Figure 3: Housing Trajectory as at 1st April 2022

