A presentation for ESPON

London: the Plan for growth

Key development issues for London First

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London First

What I plan to cover

- London Plan
- Crossrail: Mayoral CIL Charging Schedule
- Localism Bill
- Other planning policy issues
- Questions

London Plan

- Published on the 22nd July 2011 (end date 2031)
- Mayoral shift to only strategic issues
- Expect a raft of Supplementary Planning Guidance to follow
- An implementation plan is now being drafted

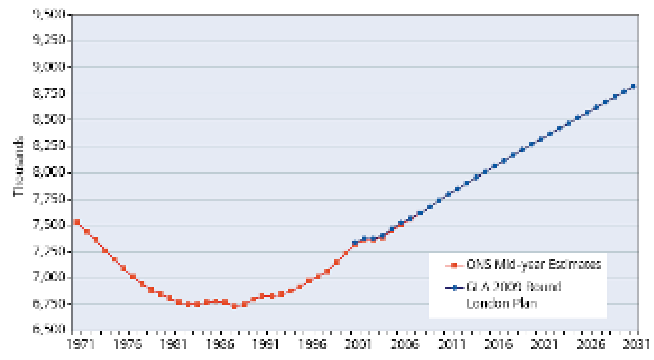
London Plan: context

- Population

Currently 7.8m

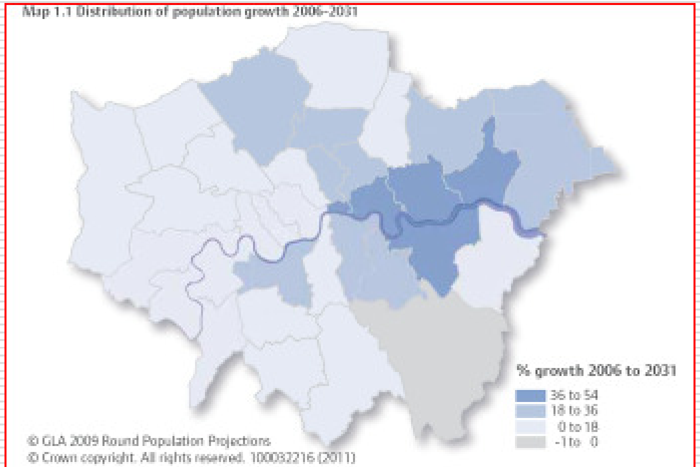
By 2016 – 8.06m
2021 – 8.32m
2026 – 8.57m

Figure 1.2 London's population 1971–2031

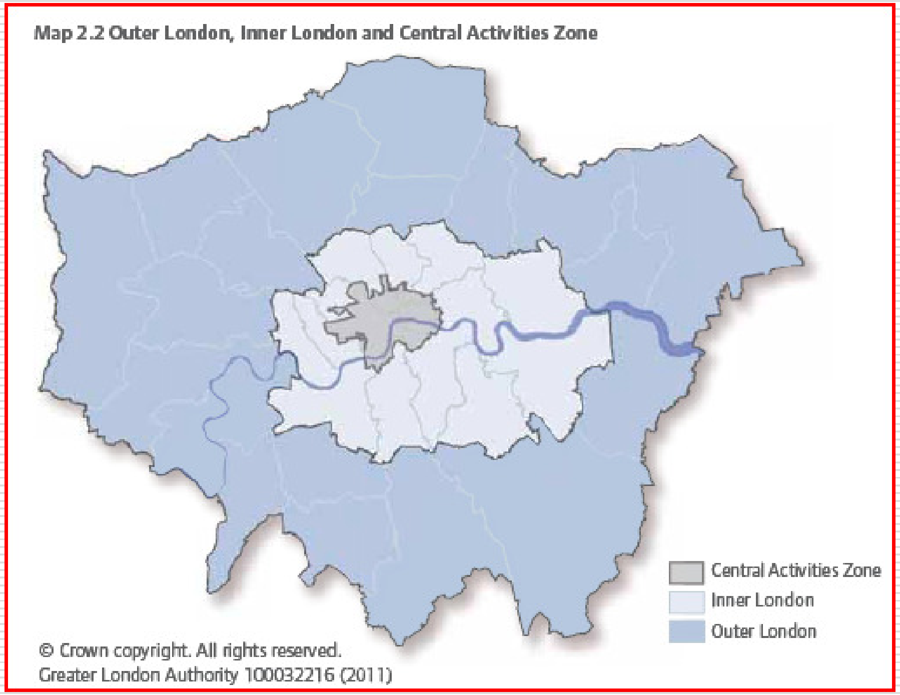


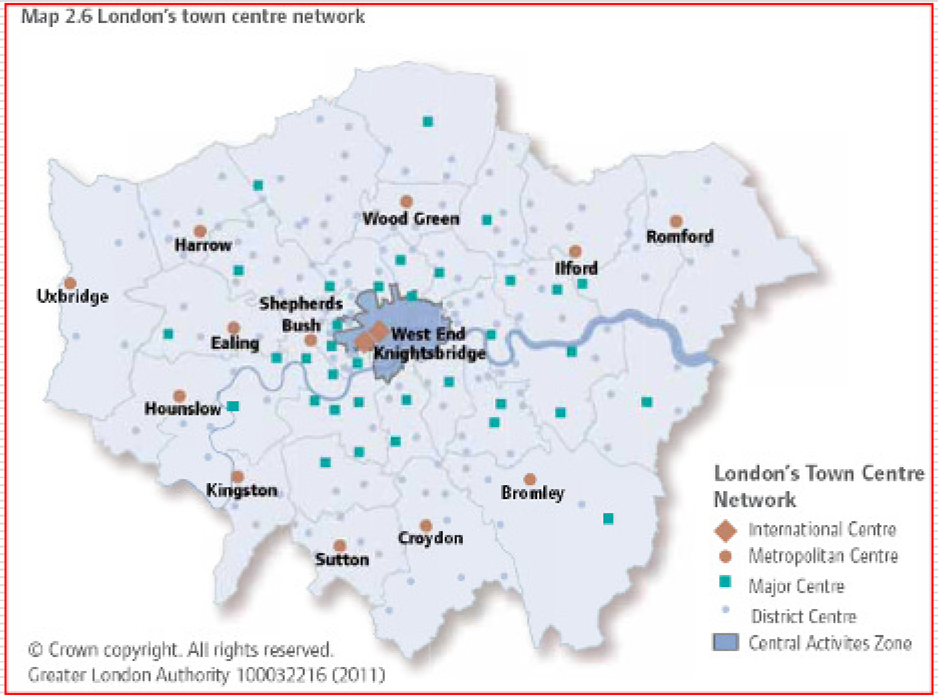
Source: Greater London Authority DMAG

Map 1.1 Distribution of population growth 2006–2031



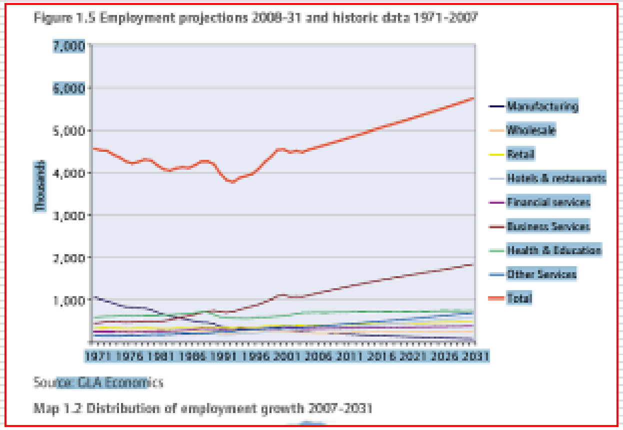
Contextualising London

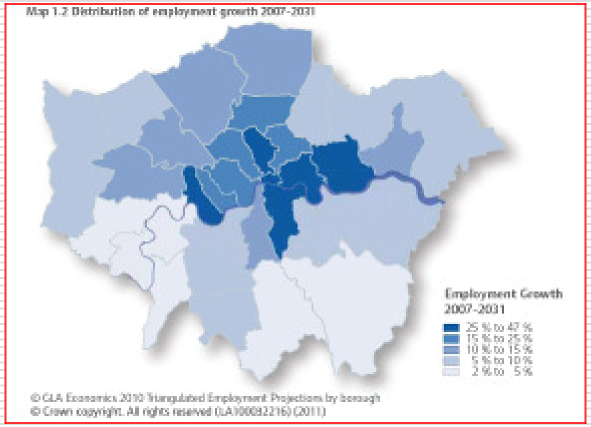




- London split in to three distinctive areas
- Mayor of London focused on supporting Outer London (OLC: £50m OLF)

London’s economy





- 2010 European Cities Monitor ranked London as Europe’s top city location (held since 1990)
- Global Financial Centres Index ranks London as the world’s top financial centre
- Job growth between 2007-2031 circa 16.6% (776,000 jobs)

- Business and financial services 1.56m to 1.98m (representing 38% of new jobs)
- Leisure and personal services expected to deliver 360,000 jobs (1/3 of new jobs).
- Hotels and restaurants are set to deliver 235,000 jobs (fifth of new jobs).

Office provision in London

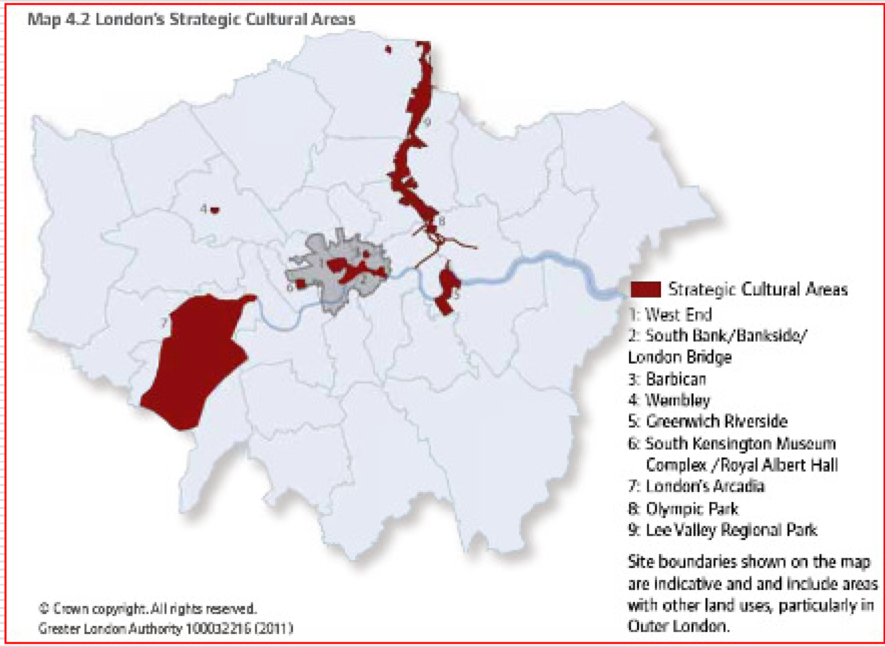
Table 4.1 Demand for office based employment and floorspace, 2011–2031

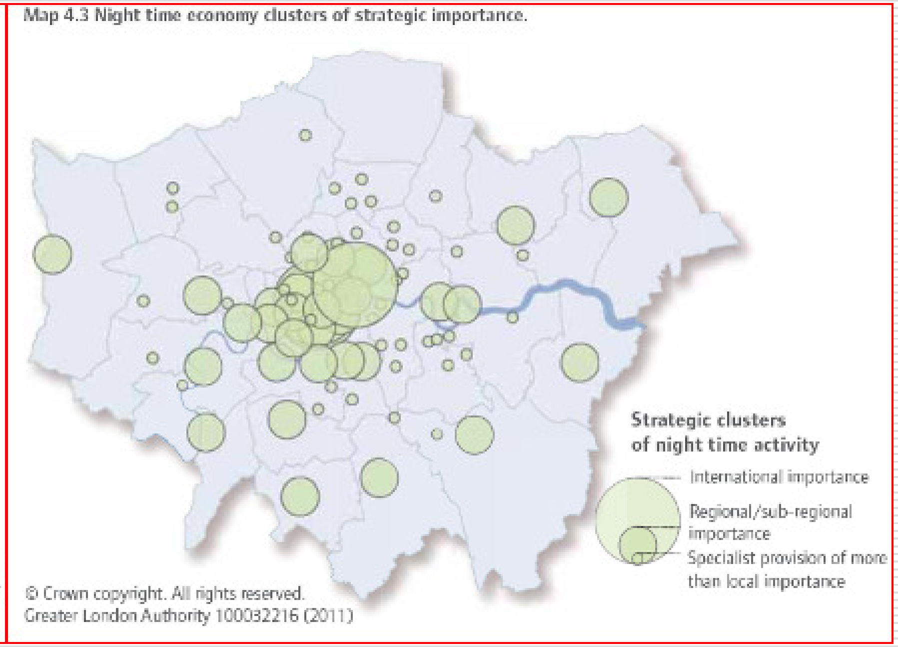
Location	Office based employment growth		Demand for office floorspace (million sqm)		
	Total	% of total growth	Net floorspace	Gross floorspace (75% ratio)	Gross floorspace (85% ratio)
Outer London	59,000	20	0.77	1.03	0.91
Inner London*	67,000	22	0.86	1.15	1.01
CAZ and the north of the Isle of Dogs	177,000	58	2.30	3.07	2.71
London total	303,000	100	3.93	5.24	4.62

*Excluding CAZ and north of Isle of Dogs. Source: GLA; derived from London Office Policy Review 2009

- Importance to recognise the need to supply a varied range of office provision
- Acceptance that there are distinct needs of the central office market including the north Isle of Dogs (world city – clusters)
- Supply and demand for prime office space not being met

Cultural and night time offer





- Circa 130 million visitors a year in London
- There are 26 million overnight visitors pa in London (16m overseas 10m UK)
- This equates to 253,000 jobs (5.5% of total employment in London)
- Target to generate a further 40,000 net additional hotel rooms by 2031

Housing

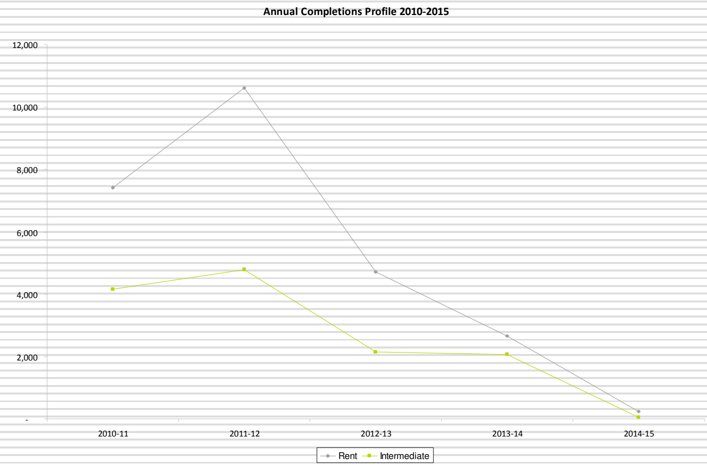
- Annual housing target over the next ten years: 32,210 units based on evidence from the SHLAA /HCS and SHMA
- This is a minimum target
- GLA and the former National Housing and Planning Advisory Unit believe household growth and supply need to reach between 33,100 – 44,700 to meet demographic trends

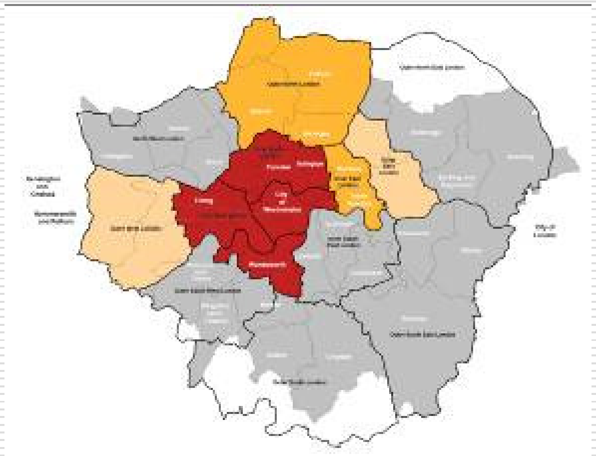
Table 3.1 Annual average housing provision monitoring targets 2011-2021

Borough	Minimum ten year target	Annual monitoring target
Barking and Dagenham	10,650	1,065
Barnet	22,550	2,255
Bexley	3,350	335
Brent	10,650	1,065
Bromley	5,000	500
Camden	6,650	665
City of London	1,100	110
Croydon	13,300	1,330
Ealing	8,900	890
Enfield	5,600	560
Greenwich	25,950	2,595
Hackney	11,600	1,160
Hammersmith and Fulham	6,150 #	615 #
Haringey	8,200	820
Harrow	3,500	350
Havering	9,700	970
Hillingdon	4,250	425
Hounslow	4,750	470
Islington	11,700	1,170
Kensington and Chelsea	5,850 #	585 #
Kingston	3,750	375
Lambeth	11,950	1,195
Lewisham	11,050	1,105
Merton	3,200	320
Newham	25,000	2,500
Redbridge	7,600	760
Richmond	2,450	245
Southwark	20,050	2,005
Sutton	2,100	210
Tower Hamlets	28,850	2,885
Waltham Forest	7,600	760
Wandsworth	11,450	1,145
Westminster	7,700	770
London Total	322,100	32,210

These figures do not include the increment to provision in Earls Court Opportunity Area identified by the EIP Panel in their report to the Mayor – see Annex 1

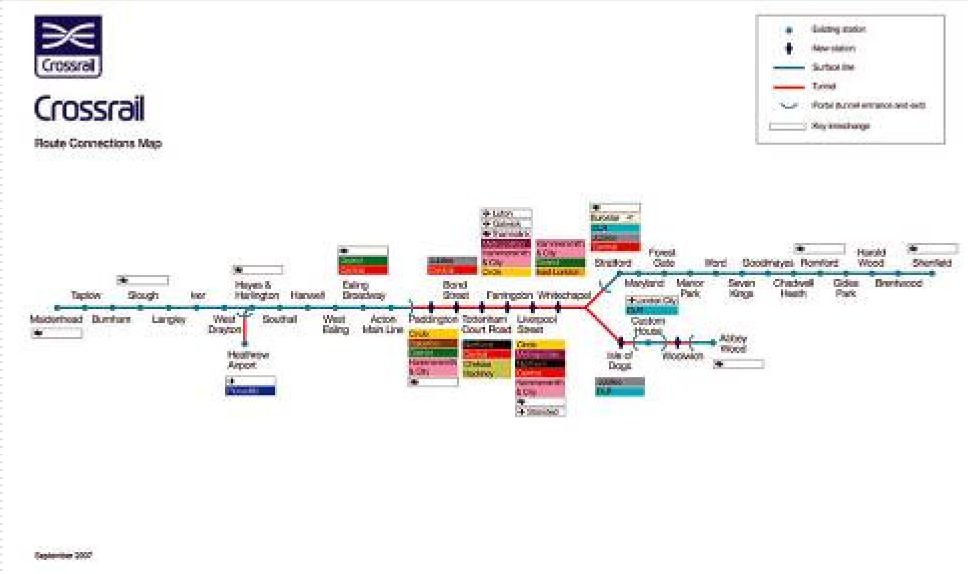
Affordable Housing





- Affordable housing start-ups drop (target 13,200 pa - 60% social rent 40% intermediate (rent or sale))
- Impacts of new HB caps on social demographics

Crossrail:
Delivering big infrastructure



Mayoral Draft CIL Charging Schedule

- £14.5bn to deliver Crossrail with the rolling stock and depot privately financed
- Mayor required to collect £300m of CIL contribution by March 2019
- Criteria:
  - Only applies to net additional floorspace of a development ;
  - 100 sq m or more of gross internal floorspace
  - The Mayor proposes three zones in his Draft Mayoral CIL Schedule

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Mayoral Draft CIL Charging Schedule

- Mayor proposes three zones in his Draft Mayoral CIL Schedule

Zone	boroughs	Rates (£ per sq. m.)
1	Camden, City of London, City of Westminster, Hammersmith and Fulham, Islington, Kensington and Chelsea, Richmond-upon-Thames, Wandsworth	£50
2	Barnet, Brent, Bromley, Ealing, Greenwich, Hackney, Haringey, Harrow, Hillingdon, Hounslow, Kingston upon Thames, Lambeth, Lewisham, Merton, Redbridge, Southwark, Tower Hamlets	£35
3	Barking and Dagenham, Bexley, Croydon, Enfield, Havering, Newham, Sutton, Waltham Forest	£20

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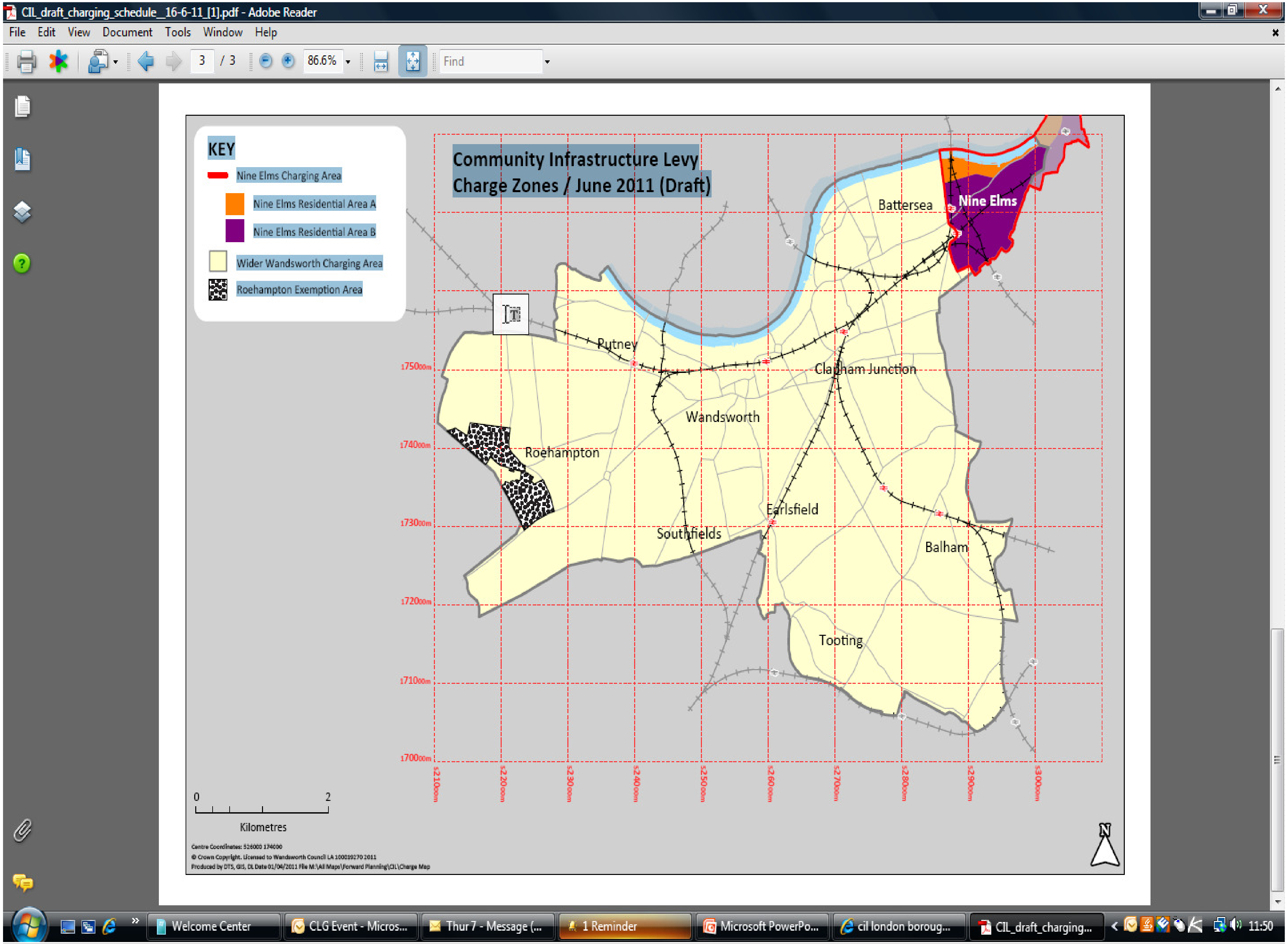
Mayoral Draft CIL Charging Schedule

Cumulative CIL effect on development in London:

- Concern that the evidence base for CIL is limited with only two borough's issuing their own CIL schedules.

For example in the Mayoral Zone 1 CIL Charging location:

- Wandsworth's CIL plus Mayoral CIL on riverside location £625 / sq.m
- 90% of the remaining zone is expected to achieve a combined CIL of £300 / sq.m
- Small patch will attract £0 Wandsworth CIL but still be required to pay £50 / sq.m to the Mayor.



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KEY
Nine Elms Charging Area
Nine Elms Residential Area A
Nine Elms Residential Area B
Wider Wandsworth Charging Area
Roehampton Exemption Area
Community Infrastructure Levy
Charge Zones / June 2011 (Draft)
Nine Elms
Battersea
Putney
Clapham Junction
Wandsworth
Roehampton
Earlsfield
Southfields
Balham
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Mayoral Draft CIL Charging Schedule

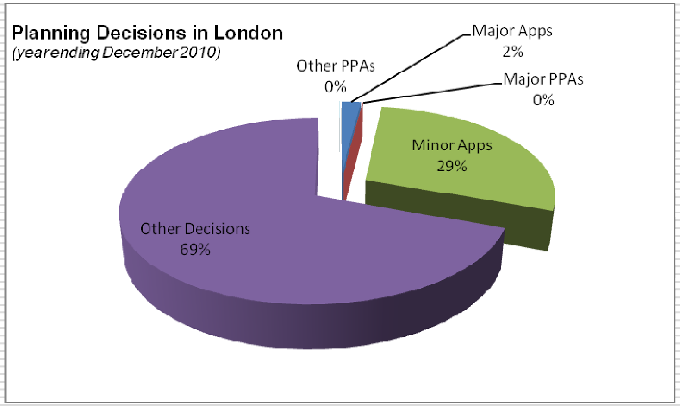
- Other issues to resolve

  - The Mayor has not utilised any of his discretionary relief powers to assist, by exempting his CIL on major applications that involve regeneration schemes (which account for less than 2% of total applications received)

  - Unintended consequence emerging with Section 73 planning permissions

  - Phasing of payment and instalment process need to be resolved with the Mayor and London Boroughs

  - EiP expected by the end of November/ Early December. Commencement of Mayoral CIL as early as end of Feb 11.



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Localism Bill: translated in a London context

- **Mayoral Development Corporations (MDCs) (Part 7, Chapter 2)**
- **Strategic Planning**
- **NPPF**
- **Neighbourhood Planning (Part 5, Chapter 3)**
- **Community Infrastructure Levy (Part 5, Chapter 2)**


Localism Bill

Localism Bill: neighbourhood planning

- The Bill (Part 5, Chapter 3) provides for the introduction of:

  'Neighbourhood forums' : must be designated by the local authority

  A 'neighbourhood area': an area that a parish council or a body which is *or is capable of being defined as* a 'neighbourhood forum' has asked to be designated as such by the local authority. Designations last for 5 years

  Neighbourhood Development Plans (NDPs), and for planning permission to be granted through Neighbourhood Development Orders (NDOs) and Community Right to Build Orders (CRBOs).

  To have either a valid NDPs or NDOs they need to be independently examined and approved and must gain over half the vote at a referendum.

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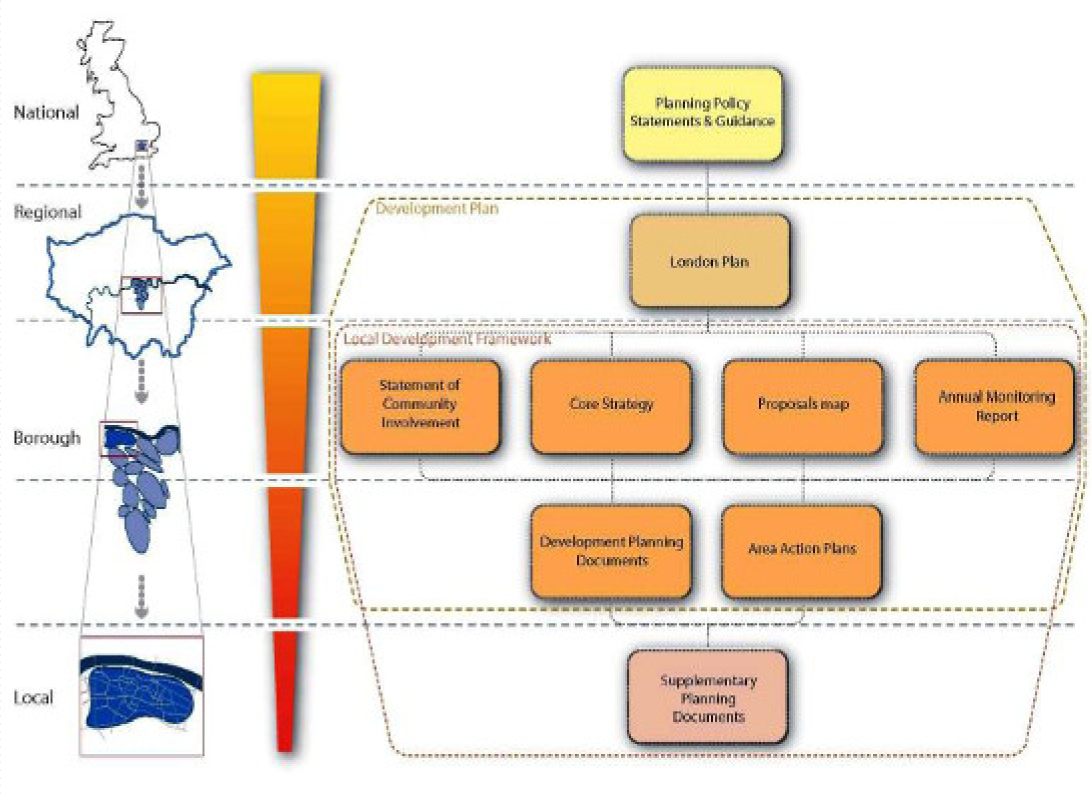
What does this all mean?



What does this all mean?

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<u>Neighbourhood forums to be bodies that have been established for</u>

promoting the carrying on of trades, professions or other businesses' in a neighbourhood area - i.e. a business forum.

Require members to be individuals who

i) live in the area,
ii) work there or
iii) are elected members whose ward or electoral division falls within the neighbourhood area - so they would <u>not</u> have as members those who simply 'want to live' in an area but would have workers/business owners and councillors.

Require a membership of at least **21** individuals - **seven times the previous requirement**.

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box: NDO's
CRBO's)

VOTING:

- The voting process for conventional neighbourhood plans isolates the business community, landowners and anyone else except the resident at the referendum stage of the neighbourhood plan referendum
  - *Only representations (oral/ written) can be made by those ineligible to vote*

Voting process: 51% yes or no vote

- *Business neighbourhood plans*
  - *Stringent criteria based on commercial floorspace, the ration between business rate payers and residents, any specific local plan policy which identifies it as a business district. LPA will need to make a decision on whether it is a valid case for the area to be business led.*

Voting process:

A separate vote will be made by businesses and residents. If vote delivers inconsistent outcome then becomes advisory for the LPA to determine

The community?

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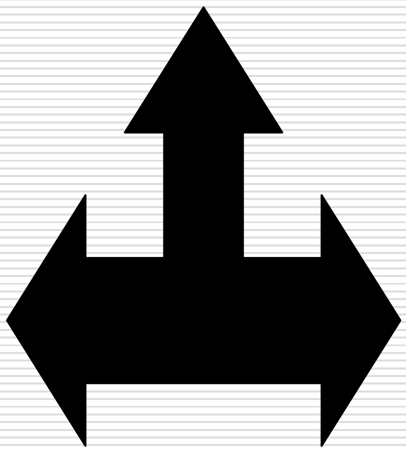
CIL in London

Split three ways:

Mayor of London



London Boroughs

Neighbourhood planning

Other planning policy issues

- National Planning Policy Framework
  - What will happen with existing guidance and circulars
  - Effects of presumption in favour of sustainable development
- Local Planning Fee Schedules – effects of the delay in their introduction
  - LPA's such as WCC seeing a deficit in spending cuts circa £1.2m
- Relaxation of planning rules from office to residential conversions
  - Generally supportive of liberalisation although concerned about its effect in the City and CAZ
- A wider Use Class Order review under way - TBD

Finally.....to achieve growth

- Developers require:
  - A clear and realistic level of planning gain they are expected to pay
  - A fully resourced and skilled planning service
  - Certainty over timescales and decision making

Questions