# **Home Builders Federation**

## RICHMOND UPON THAMES LOCAL PLAN EXAMINATION LEGAL COMPLIANCE, SPATIAL VISION AND STRATEGIC OBJECTIVES

2. Does the Plan acknowledge adequately cross border issues, particularly with regard to the Duty to Cooperate on strategic matters?

# Have there been timely, effective and conclusive discussions with key stakeholders and prescribed bodies on what the plan should contain?

#### How does the Plan align with those of adjacent Boroughs?

The Mayor of London maintains that the London Plan is not a development plan document as defined by law – it is a spatial development strategy. As such, the Mayor maintains that he cannot be subject to, or is responsible for, discharging the duty to cooperate. The inspector examining the London Plan demurred (see paragraph 8 of his report) but Mayor of London has not accepted the inspector's conclusion. Demonstration that the duty to cooperate has been properly discharged (as required by law) resides with each individual London borough. This is explained in Policy 2.2 part E of the London Plan. Each London borough will need to demonstrate that they have met the legal requirement to cooperate on matters of strategic importance with cross-border implications.

The London Plan explains how the London boroughs are responsible for the duty to cooperate:

Paragraph 2.13 of the London Plan observes that:

"London exerts a substantial effect over the south-east of England. It is inextricably linked with this wider region, whether looked at in terms of patterns of employment, skills and education, housing markets, town centres and planning for retail, airport policy, patterns of commuting...For all these reasons, and in accordance with the new statutory duty to cooperate...the Mayor intends to work closely with agencies and authorities in neighbouring regions".

Paragraph 2.14 of the London Plan continues:

"While the Mayor will promote inter-regional work on key strategic issues, <u>engagement at a more local</u> <u>or sub-regional level will also be important, in line with the duty to cooperate</u>." (our emphasis).

Paragraph 1.1.23 of the Mayor's Housing SPG also explains the role of the London boroughs in discharging their responsibilities under the duty to cooperate.

Policy 2.2: London and the Wider Metropolitan Area, part E states:

"In preparing and implementing DPDs, boroughs (particularly those in outer London) should work with authorities and agencies in neighbouring regions outside Greater London to develop common approaches to issues of cross-border significance."

The Mayor's *Housing SPG*, published in March 2016, advises the London Boroughs to consider housing market geographies that extend beyond single borough boundaries in order to *'reflect the realities of London's housing market'* (paragraph 3.2.11). Richmond upon Thames's SHMA concludes that there are *'strong housing market and economic inter-relationships across the borough boundaries within London, and between LB Richmond and parts of Surrey.*" (Page 42).

We also note London Plan Policy 2.3: Growth Areas and Coordination Corridors. This refers in A(b) to the Wandle Valley Corridor. The Wandle Valley Corridor is defined in paragraph 2.16 of the London Plan as a corridor extending through south London and outwards towards Gatwick airport. It is a corridor of city region importance which connects London with the wider city region. Paragraph 2.1.16 of the Council's Local Plan explains that Richmond upon Thames is part of the South London Partnership. This partnership is a sub-regional collaboration of five London Boroughs: Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton. The plan explains that this partnership "focuses on shaping sustainable growth, securing devolution to unlock opportunities and driving efficiency". The Duty to Cooperate Statement (January 2017) in paragraph 2.5 states that the purpose of the South London Partnership is to accelerate and increase the potential for economic growth in the area "beyond what we can achieve individually". While the focus is on the economy, the London Plan's intentions for the Wandle Valley, and the investment in transport communications in this corridor, will have housing as well as economic contributions. Paragraph 3.1.18 of the Local Plan describes how the key aim of the Spatial Strategy is to reinforce the need "to improve accessibility, including through the quality and connectivity of transport interchanges, as identified in the London Plan and (the) Outer London Commission. The Council will work with its partners, including the operating companies, and propose improvements to be taken forward through its Local Implementation Plan for Transport."

In view of this statement in the London Plan we would have expected to see an explanation through Richmond upon Thames's Local Plan of how these transport considerations had a bearing on the question of the housing supply. We have been unable to locate an assessment of this aspect and its inter-relationship. The Council's Local Plan is largely silent on the implications of public and private investment in this corridor on the housing needs of the sub-region. It is unclear how Richmond upon Thames's local plan will contribute to furthering this agenda.

This all begs the question whether a local plan that does the minimum by meeting the minimum London Plan benchmark target, is doing enough through the duty to cooperate to help contribute to the strategic needs of London and the sub-region, and whether this justifies the public/private investment being made.

Policy 2.5: Sub-Regions of the London Plan requires that the Mayor and the boroughs: "should develop, develop the most effective cross boundary working arrangements and groupings to address specific issues". Supporting paragraph 2.23 goes on to state that the Mayor "supports partnership-based, cross border working...working arrangements tailored to particular tasks in accordance with the new duty to cooperate". It goes on to state "where appropriate, partnership arrangements should be extended to include neighbouring authorities, especially to coordinate infrastructure provision and to address common issues affecting development corridors beyond London". The Wandle Valley growth corridor means that Richmond Council needs to demonstrate how it is cooperating with the other London boroughs (Sutton, Croydon and Merton) but also with the south east authorities to the south who will be affected as a consequence of the investment in new infrastructure along the corridor (see for example Local Plan Policy 5: Wandle Valley Renewal part d. of Sutton's Local Plan which is currently at examination). Sutton Council also has a very large unmet housing need of 10,065 homes over the plan period or 671 per annum that it cannot deliver owing to the similar policy constraints to Richmond upon Thames (mainly green belt and metropolitan open land). Crovdon's local plan is also currently at examination, and while it is providing above the London Plan benchmark (based on the Inspector's Main Modifications published in August the new requirement in the plan is for 1,644 dpa compared to 1,435 dpa in the London Plan) the new Croydon Plan is under-delivering against its own OAN. It also has a very substantial unmet need of 10,050 homes. Even so, despite the shortfall against its own OAN, Croydon Council is making a considerable contribution towards London's

housing needs with a large housing requirement of 32,880 homes over the period 2016-2036.

The new Sutton and Croydon Plans make no provision for the unmet housing needs in Richmond, although Croydon Council's Plan does make an additional contribution of 1,570 homes over 10 years (or 157 dpa) to help close the gap in the London Plan.

The HBF is interested in the question of the unmet housing need in London and how this is being planned for. This has two elements. Firstly, there is London's unmet need of 7,000 homes a year which is the difference between the level of housing need identified in the London SHMA 2013 (at least 49,000 homes a year at the lower end of the range, 62,000 at the higher end) but only identified capacity for 42,000 homes. Secondly there is the shortfall against Richmond's own locally assessed OAN which amounts to 1,047 homes a year (see paragraph 9.1.5) or 10,470 homes in total over the life of the Plan (which is 2015-2025 – see Policy LP 34). The Council is planning on the basis of the London Plan benchmark target of 3,150 homes for 2015-2025 which implies a shortfall of 7,320 homes against its own OAN.

The Council's SHMA (December 2016) identifies a strong housing market and economic inter-relationship with the boroughs of South West London – principally Hounslow, Wandsworth and Kingston. There are, however, housing market and commuting relationships with other London Boroughs and with Surrey.

The Duty to Cooperate Statement records concern among some of the adjoining boroughs about the implications for them of Richmond upon Thames not meeting its OAN, i.e. not meeting the demographic need suggested by the SHMA. We note these concerns of Kingston upon Thames, Elmbridge and Spelthorne councils.

The Duty to Cooperate Statement records that the Council has approached its neighbouring boroughs in London and in Surrey, but was unable to export any of its unmet housing need. The failure to secure an agreement to export an element of its housing need should have forced the council to reconsider the efficacy of its existing policies and land supply in order to accommodate a larger element of that unmet need.

#### 6. Has the Plan been prepared to be consistent with the National Planning Policy Framework (NPPF) and in general conformity with the London Plan? What review mechanisms are inbuilt?

The Plan is not in conformity with national policy in terms of its approach to viability and using this evidence and information to establish achievable affordable housing targets. We are also concerned that not all local plan policies have been adequately accounted for by the viability assessment that supports the Local Plan. The viability evidence, therefore, may not provide a reliable picture of the scale of costs and obligations that developers will need to contend with. Some policy expectations may be unrealistic.

### Is the Plan in general conformity with the London Plan?

We consider the Plan to be in general conformity with the London Plan except in the important matter of contributing to closing the shortfall in London's strategic housing need. The London Plan encourages all the London boroughs to meet and exceed the benchmark targets.

9. Now have the Strategic Objectives been derived, are these adequate and linked to specific policy provision? Are the Strategic Objectives, as worded, consistent with subsequent policy provision, e.g. meeting people's housing needs? Is inclusive design referenced adequately?

Given the size of the housing shortfall, *Vision Objective 3: Meeting people's needs* and *Strategic Objective 3* in the Local Plan need to be amended to provide a more honest reflection of the consequences of this under-provision. The Council will not be able to meet all needs and nor will it be able to provide housing choices including a choice of affordable homes. The unmet need is 732 dpa, or 7,320 homes in total over the 10 year life of the plan. The Council has assessed that it would need to provide 964 affordable homes a year to provide for those unable to meet their needs in the market. Since both the OAN and the affordable housing need figures considerably exceed the planned requirement it is illogical to argue that the plan will provide residents with a choice of homes.

# 11. Are issues of development viability recognised adequately by the Plan and its evidence base? Has a final viability assessment been undertaken for the content of the Plan as a whole which supports the deliverability of the plan objectives in a manner consistent with national policy?

At the time of consulting upon its Regulation 19 version of the plan we were concerned that the Council had not tested the viability of its 50% affordable housing requirement or the cost of certain other policy requirements such as zero carbon homes (Policy LP22) and green roofs and walls (Policy LP17). The Council has sent us a Viability Addendum but we have not had an opportunity to consider this yet.

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