

BRIEFING NOTE

Housing and Urban Form: Tensions in the London Plan | Examination in Public | Roundtable 2

Prof Christine Whitehead | LSE London

Research commissioned by the LSE, Knowledge Exchange and Impact fund

Roundtable 2: Governance and the interaction between the GLA and Local Authorities

The discussion at the second roundtable was rather more wide ranging than the first reflecting the many different inter-relationships between the GLA and London boroughs.

We started with the six questions set out below – but in the end they rather ran together under a more general concern about the lack of capacity to deliver the promised housing and who would be expected to take the blame.

1. As compared to earlier Plans the NLP seems rather more dictatorial – is this a problem? How reasonable is the balance for boroughs between London-wide obligation and local responsibility in this version of the Plan?
2. Earlier Plans have not managed to deliver in terms of housing – how much of this is to do with GLAs lack of implementation powers? Or to lack of local authority commitment to the Plans?
3. Are there issues between the GLA's position as spelled out in the NLA and local authority responsibilities to national government?
4. The core of the housing element of the NLP is increasing delivery. How does the GLA's approach help to ensure that numbers are (i) realistic and (ii) local authorities will be committed to success?
5. Does the emphasis on small sites make it harder to achieve the numbers required? Are there similar strains with respect to other policies the local authorities must implement?
6. What could the Plan and the Mayor do to promote stronger and more productive relationships with authorities outside London?

A different approach in the draft London Plan?

The issue of governance and how the GLA interacts with London's local authorities has been at the forefront of the Plan-making process since the GLA was put in place. The big issue is that the GLA's powers are mainly about plan making but, especially in the context of housing delivery, implementing the Plan is a borough responsibility. In particular, the GLA sets housing targets for the boroughs based on the GLA's own estimates of capacity but these targets must then be input into the boroughs' Local Plans where they determine their five-year land supply and delivery targets.

The starting point for discussion at the Roundtable was the view that the draft Plan is much more detailed in terms of policy and thus much more dictatorial than earlier Plans. Indeed, there was little dissent when one participant argued it was almost a local plan leaving very little flexibility for boroughs. Yet, while it was suggested the Plan went far beyond the Mayor's legal powers, some thought this might be a good way forward for borough that wanted to increase development because LAs have so few resources – and because if plans are dictated from on high there is less political flak.

The housing numbers

It was generally agreed that the problem of delivery was not new. Plans have been Plans but outcomes have not generally been assessed. In terms of current GLA policy the main concerns, for outer London boroughs particularly were about the Mayor's decision to base his estimates of capacity this time on an intensification strategy involving a strong emphasis on small sites – and to reject both a significant release of Green Belt within London (even if promoted by boroughs) and looking to the wider South East to take additional overspill. There was particular concern that the rejected options did not appear to have been evaluated in any real sense.

The GLA's situation is that they have relatively few powers with which they can support more rapid delivery except by forcing unrealistic targets on the boroughs. Indeed, many of the other policies in the Plan, notably the threshold for affordable housing, could adversely affect land coming forward.

The position for local authorities is also extremely difficult: they have no say in the numbers but once the Plan becomes statutory if they don't comply, they could be subject to objections to their Local Plan by both the Minister and the Mayor – who are themselves in a blame game about overall delivery.

Importance of infrastructure

A rather different stumbling block to housing delivery is that many Local Plans identify land that will only be developable once large-scale infrastructure is put in place. If that infrastructure is delayed so will be the delivery. Indeed, the potential for investment such as Crossrail II means that land is less likely to come forward until full confirmation is in place.

A related issue is the extent to which CIL whether Mayoral or local authority as well as S106 are now a necessary source of revenue for infrastructure provision – which of itself is likely to modify planning policies at both local authority and London wide levels. Moreover, it is all a bit circular especially in outer boroughs where you need the infrastructure in place in order to generate higher land values before you can tax the changes in value when planning permission is given.

Tensions between GLA and national policy

London is totally different from the rest of the country in that the dwelling target numbers have been based on (notional) 'capacity' rather than requirements. In the context of the new Plan this is particularly relevant, as national policy is being changed so that central government sets not just housing needs and thus five-year land requirements in the Local Plan but also introduces delivery tests which if failed will lead to penalties. This raises a much more direct threat to local authorities than under earlier Plans.

Does realism matter?

A key strand in the discussion was whether the ‘fact’ that housing number targets were undeliverable really mattered. Rather, they could be seen more as aspiration than reality but an aspiration that potentially changes the political dynamics. In boroughs where there was the will to increase output, having the backing of national and GLA targets could make it easier for local councils to introduce policies and make planning decisions that would support expansion. In boroughs with little enthusiasm, there might still be increased pressure. Fundamentally it transferred responsibility up the political chain and so simplified the situation for the boroughs. But, of course, it doesn’t of itself provide any resources to help increase output levels!

A rather different aspect of realism relates to the fact that the Plan covers only ten years. Since a substantial build-up of capacity to deliver would take years, expectations of average output over a ten-year period should be more modest. At the most optimistic (and taking no account of any market volatility) projected annual average could at best only be reached in the last couple of years of the Plan – so overall targets would be missed for miles. Unlike earlier Plans the potential trajectory of delivery is hardly mentioned and certainly no trajectory figures are provided.

Small sites

The emphasis on small sites is new to this Plan and has particular implications for outer boroughs. Boroughs have been looking at the realism of the GLAs estimates of what can be delivered on small sites – coming to the conclusion that far too much is being assumed and involve an unrealistic proportion of existing dwellings.

A second issue is who would undertake these developments – the assumption must be smaller builders, but their numbers have fallen rapidly in the last twenty years and those who remain often work in the easier environment outside London. So, at the least new technology and new firms would have to emerge.

Finally, the small sites policy seems inconsistent with the affordable housing policy as small sites rarely involve anything like average numbers of affordable homes.

Relationships with authorities outside London

Here there was a real cry for the Mayor to take on a leadership role which has fundamentally been ruled out by the current Plan.

In particular, it was argued that there were a lot of interesting collaborative projects, but the Plan does not have the remit to talk about them. A stronger evidence base for the wider city region needs to be developed. But government does not want to bring back a version of SERPLAN or other types of regional agency. The GLA has in some ways been supportive – although not sufficiently to generate a meaningful city-region or WSE option for the Plan. What is lacking is government recognition of the importance of treating the whole London Metropolitan region as a single entity. In the meantime, the boroughs have to take the lead. In promoting collaboration.