

# **HOUSING DELIVERY TEST MEASUREMENT AND ACTION PLAN**

**LOCAL AUTHORITY: LONDON BOROUGH OF MERTON**

**LAST UPDATED: JANUARY 2024**

## 1. Introduction

- 1.1. The London Borough of Merton has prepared a Housing Delivery Test (HDT) Action Plan to provide an overview of housing delivery within the borough. This includes an analysis of housing delivery, barriers to delivery, and actions necessary to increase the delivery of housing in the future. It is a live document that will be monitored and updated annually.
- 1.2. This Action Plan is the Council's response to the challenge set out in the Government's National Planning Policy Framework to boost significantly the supply of homes and has three goals:
  - i) To set out the historic performance on housing delivery in Merton;
  - ii) To set out the root causes of the challenges to housing delivery in Merton;
  - iii) To set out what actions the council can take to increase the rate and number of homes built in Merton.
- 1.3. Further information about housing delivery is published in the Authority Monitoring Reports and the Annual Position Statements on the council's [website](#).

### Why is the Housing Delivery Test Action Plan being prepared?

- 1.4. Housing supply and the persistent failure to build sufficient housing is a national issue affecting the economy, health, productivity, and wellbeing of individuals and the nation as a whole; with particularly chronic pressures felt across London, including Merton. As such, the Government has increasingly prioritized housing delivery within planning policy. In February 2017 the Government published the Housing White Paper "Fixing our broken housing market", which proposed a new initiative to measure the performance of local authorities via a Housing Delivery Test. This has been taken forward as part of the [revised National Planning Policy Framework \(NPPF\)](#) that was published in December 2023.
- 1.5. Merton is not required to produce an Action Plan in response to failing to pass the Housing Delivery Test. However, this plan has been prepared to support Merton's housing trajectory in the event of future under-delivery.

### How is the Housing Delivery Test Measured?

- 1.6. Full details of the method for calculating the HDT are specified within the "Housing Delivery Test Rule Book" and Planning Practice Guidance. The data used to assess delivery is Department for Levelling Up, Housing and Communities (DLUHC) statistics for the total net housing completions in a local planning authority area over a rolling three-year period. This includes student accommodation and other communal accommodation, using a ratio to adjust for occupancy.
- 1.7. Full details of the method for calculating the HDT are specified within the "Housing Delivery Test Rule Book" and Planning Practice Guidance. The data used to assess

delivery is Department for Levelling Up, Housing and Communities (DLUHC) statistics for the total net housing completions in a local planning authority area over a rolling three-year period. This includes student accommodation and other communal accommodation, using a ratio to adjust for occupancy.

- 1.8. The HDT measurement for 2019/20 and 2020/21 has been adjusted to take into account the impact of Covid-19 on housing delivery. For 2019/20 8 months of the 411 London Plan housing target applies. For 2020/21 8 months of the 918 London Plan housing target applies.

### **What are the consequences of not building enough homes in Merton?**

- 1.9. The [National Planning Policy Framework December 2023 \(NPPF\)](#) and national Planning Policy Guidance (NPPG) introduced the 'Housing Delivery Test' (HDT) in a phased approach over three years. It states that:
  - i) To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below the local planning authority's housing requirement over the previous three years, the following policy consequences should apply:
    - a) where delivery falls below 95% of the requirement over the previous three years, the authority should prepare an action plan to assess the causes of under-delivery and identify actions to increase delivery in future years;
    - b) where delivery falls below 85% of the requirement over the previous three years, the authority should include a buffer of 20% to their identified supply of specific deliverable sites as set out in paragraph 77 of this framework, in addition to the requirement for an action plan.
    - c) where delivery falls below 75% of the requirement over the previous three years, the presumption in favour of sustainable development applies, as set out in footnote 8 of this Framework, in addition to the requirements for an action plan and 20% buffer.
  - ii) 80. The Housing Delivery Test consequences set out above will apply the day following the annual publication of the Housing Delivery Test results, at which point they supersede previously published results. Until new Housing Delivery Test results are published, the previously published result should be used.
- 1.10. The ultimate sanction of the presumption in favour of sustainable development introduces a test, which has become known in legal terms as 'the tilted balance,' in favour of granting permission for housing development. This test states that permission should be granted unless: (i) policies in the NPPF that protect areas or assets of particular importance provide a clear reason for refusing the development proposed or (ii) where any adverse impacts of approving the development proposed would significantly and demonstrably outweigh the benefits.
- 1.11. In this scenario, it is likely that the Council could come under pressure to approve inappropriate development (i.e. development conflicting with adopted policies of the Development Plan) as developers seek to rely on the titled balance arguments in favour of housing delivery. This may lead to an increase in planning appeals as adopted policies of the Development Plan are tested against the presumption in favour

of sustainable development. The worst case scenario for the Council would be the loss of vitally important lower value uses such as offices, shops, hotels, pubs, restaurants and other community uses to residential development.

- 1.12. The more general and obvious consequence of a failure to build sufficient homes in Merton is fewer homes are built to meet demand and need, which exacerbates the unaffordability of homes. Fewer new market homes also mean fewer new affordable homes. This is because building new market housing funds the construction of affordable homes.

## Housing Delivery Test Measurement 2022

- 1.13. Full details of the method for calculating the HDT are specified within the “Housing Delivery Test Rule Book” and Planning Practice Guidance. The data used to assess delivery is Department for Levelling Up, Housing and Communities (DLUHC) statistics for the total net housing completions in a local planning authority area over a rolling three-year period. This includes student accommodation and other communal accommodation, using a ratio to adjust for occupancy.
- 1.14. The HDT measurement for 2019/20 and 2020/21 was adjusted to take into account the impact of Covid-19 on housing delivery. For 2019/20 8 months of the 411 London Plan housing target applies. For 2020/21 8 months of the 918 London Plan housing target applies.
- 1.15. The Government published the Housing Delivery Test (HDT) 2022 measurement in December 2023 for the period 2019/20, 2020/21 and 2021/22. However, the published figures was incorrect and Merton have requested an unscheduled correction to the data, which is included in Appendix 1 of this document. The correct HDT measurement 2022 is shown in the table below:

Housing Delivery Test measurement 2022					
	2019/20	2020/21	2021/22	Total	
<b>Target</b>	377	611	918	1,906	<b>97% PASS</b>
<b>Delivery</b>	375	554	921	1,850	

- 1.16. The specific sites that make up the housing delivery for each financial year have been published in the Authority Monitoring Reports on the council's [website](#).

## Merton's New Local Plan

- 1.17. Merton's New Local Plan proposes a stepped housing target in order to meet the significant increase in housing delivery required by the London Plan. A stepped housing delivery target is appropriate in Merton as there is a significant uplift in the level of housing target between emerging and previous policies, and several large sites will be delivered in phases.
- 1.18. As at January 2024, Merton's Local Plan production is at examination stage. It was submitted to the Secretary of State in December 2021 and the appointed Planning Inspectors chaired five weeks of public hearings during June 2022 and October 2022. The proposed stepped trajectory approach was discussed at the public hearings and is pending the Inspectors finishing the new Local Plan examination and publishing their

final report. More information on the housing trajectory and Merton's five-year supply can be found in the latest published Annual Position Statement on the [website](#).

## About the Action Plan

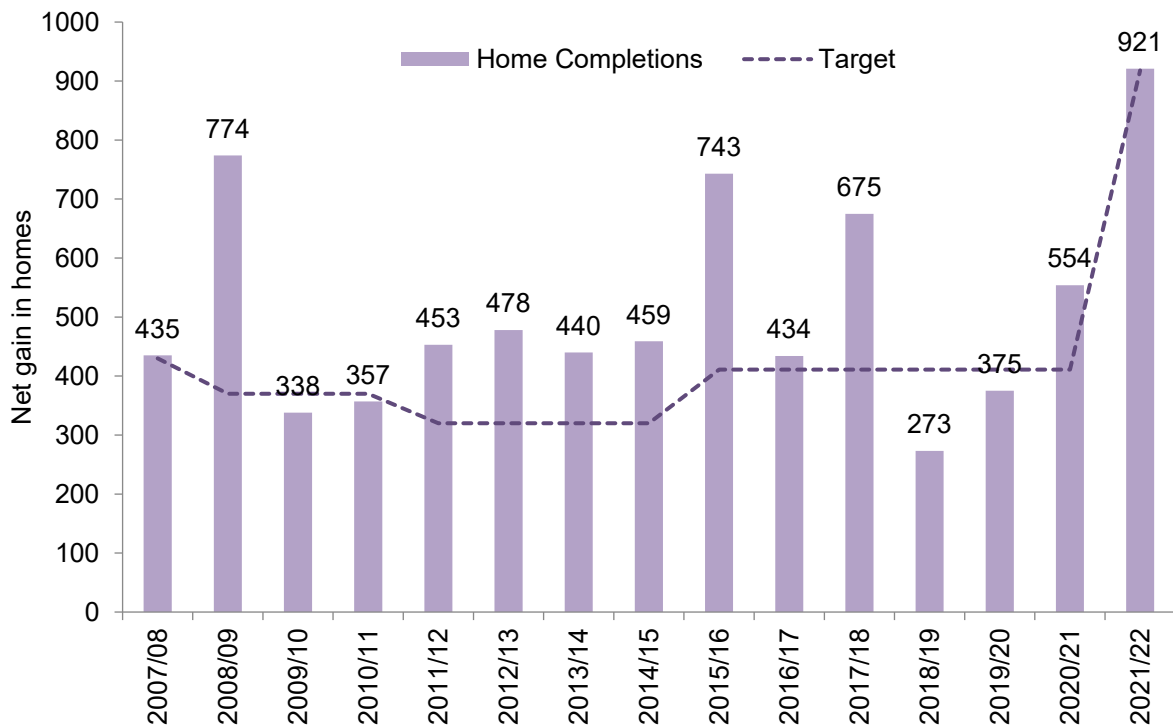
- 1.19. An Action Plan is intended to be a practical document aimed at increasing delivery that is locally specific and underpinned by local evidence and research. In order to be effective, linkages to other key council strategies are important. The document is intended to assist in delivering a key Strategic Objective in the Local Plan that of delivering the annual housing target. It also supports the delivery of other Council priorities and activities.
- 1.20. The Action Plan has been produced by Merton's Planning Policy team in conjunction with other key service areas including Regeneration, Housing, Property, Development Control and Highways to ensure that it fully reflects how housing delivery is going to be achieved. The preparation of an effective Action Plan follows stepped process with stakeholder engagement running through each stage, as set out below:

<b>Step 1 – Data gathering on housing delivery</b>
<b>Step 2 – Root Cause Analysis</b>
<b>Step 3 – Action Planning</b>
<b>Step 4 – Implementing actions</b>
<b>Step 5 – Monitoring outcomes</b>

## Merton Housing Delivery Analysis

- 1.21. Merton is a pro-growth borough and has substantial experience in delivering small sites over a long timeframe and throughout different economic and political cycles. Every year, between 85%-95% of Merton's planning applications for new homes are for small sites (sites of 10 homes or less). However, as each small site delivers fewer than 10 homes, small sites contribute about 50% of the overall number of homes built each year in Merton, with large sites (which make up usually less than 10% of the planning applications received) contributing the other 50% of homes built.
- 1.22. Over the past 16 years circa 2,500 additional homes have been built above the London Plan housing targets during that period (Graph 2.1). This information is updated annually in Merton's [Authority Monitoring Report](#).

**Graph 2.1 New Homes Completed 2007 - 2022**



- 1.23. Merton’s Local Plan and accompanying proactive strategies that support future housing delivery, such as Merton’s Character Study and Small Sites Toolkit, are pro-growth and geared towards optimising the provision of good quality and design-led housing to meet this ambition. For a decade Merton have been allocating sites of any size i.e. no minimum small sites threshold and has taken forward initiatives including town centre regeneration, estate regeneration and modular construction of affordable homes. Merton will continue to bring forward and support these initiatives.
- 1.24. Merton’s Character Study SPD (2021) identifies appropriate areas where there is potential for a range of sensitive and extensive character-led growth. At the heart of the study is to ensure that future shaping of the borough is informed by Merton’s existing and unique character.
- 1.25. The Small Sites Toolkit SPD (2021) is designed to give designers and developers a clearer picture of what would be considered acceptable development on sites up to 0.25 hectares in the Borough. The toolkit comprises guidance notes, case studies and a design and access statement template. The guidance in the toolkit builds on the findings of the Character Study in providing contextual advice to applicants and their design teams. The guidance aims to encourage more development by giving a greater certainty of approval in addition to improving overall design quality.
- 1.26. There are a number of factors outside of local planning authority control that influence housing delivery including macroeconomics, economic effects of Covid-19 house prices, land values, investment confidence and finance availability and unsecured funding for Crossrail 2. However, it is considered that the council’s proactive strategies will contribute to support future housing delivery despite these factors.
- 1.27. Whilst the council will be positive and proactive about meeting the housing need, it should be noted that there is a limit to what can be achieved by the Council by itself. It is clear from the ‘root cause’ analysis that many of the barriers to housing delivery are

outside of control of the local authority and is down myriad of reasons and people. The analysis also highlights the importance of working collaboratively and positively with key stakeholders and neighbours in order to make any meaningful difference to housing delivery challenge.

1.28. Detailed information on other projects that the council is actively working are listed in the Action Plan below. These include:

- Delivering 2,000 new homes in Morden town centre regeneration
- Delivering over 3,000 new homes through the Estates Regeneration with Clarion Housing Group
- Delivering 400 new affordable homes on council owned land

## 2. Root cause analysis

Root cause	Challenges
<b>Land supply</b>	Through engagement with stakeholders, it is notable that all parties agree that housing land supply is constrained, and it presents a key issue in Merton. The existing sites are in fragmented land ownership, on average 90% of planning applications Merton receives each year are for sites that can accommodate less than 10 homes. One Public Estate work illustrates limited public sector land ownership and the availability of land and the expense of assembling large sites is undisputedly a clear barrier to delivery.
<b>Site specific issues</b>	<p>There are a variety of issues which affect specific sites causing slower rates of homebuilding. These include:</p> <ul style="list-style-type: none"> <li>- High construction costs, particularly those on smaller sites where no economies of scale can be achieved.</li> <li>- Proximity of neighbouring properties and associated constraints</li> <li>- Contamination</li> <li>- Complex landownership with multiple land parcels</li> <li>- Viability and planning obligations</li> <li>- Infrastructure safeguarding (e.g. Crossrail 2)</li> <li>- Site relies on other developments to come forward</li> <li>- Heritage constraints (conservation areas, listed buildings and registered parks and gardens)</li> <li>- Land contamination</li> <li>- Access to/from the site</li> <li>- Legal issues (e.g. lease arrangements, covenants, rights to light)</li> </ul>
<b>Landowner / Developers' circumstances</b>	<p>Individual circumstances of the landowners and developers impact the speed at which sites get built out. Issues that create barriers to homes being built are:</p> <ul style="list-style-type: none"> <li>- Business model of the landowner – whether or not they intend to build themselves or sell the site at a profit after securing an uplift in land value following the grant of planning permission.</li> <li>- Access to finance and cost of interest payments.</li> <li>- Land value expectations.</li> <li>- Extent of the freeholder / leaseholder motivation to develop the site</li> <li>- Capacity of the local market for sale / rental</li> <li>- Provision of affordable housing, particularly finding a Registered Provider that is willing to deliver affordable homes on small sites</li> </ul>
<b>Macro-economics and viability concerns</b>	<ul style="list-style-type: none"> <li>- Currently (January 2024) significant rises in the costs of construction (shortages of labour and materials) widely cited as causing delays to schemes and affecting the viability of once-viable proposals.</li> </ul>



	<ul style="list-style-type: none"> <li>- Added uncertainties around the cost of forthcoming Building Regulations compliance, interest rate rises (and associated mortgage affordability), continued working from home allowing a far greater locational flexibility that reduces demand for London properties.</li> <li>- Issues with viability affecting the delivery of affordable housing, particularly on smaller sites.</li> <li>- Through our stakeholder engagement exercise, the market noted that aspirations of Merton from a policy perspective at times made viability more difficult. The perception from some is that Merton has less appetite for height. However, it is recognised that housing land supply factors do play a part in this.</li> </ul>
<b>Stalled sites</b>	<ul style="list-style-type: none"> <li>- Stalled sites can be caused by client side, contractor side, or third party (such as a local authority) issues and delays. By far the largest cause is financial, where either the client or contractor is unable to secure sufficient finance at the right time.</li> </ul>
<b>Character and design</b>	<ul style="list-style-type: none"> <li>- Merton has a high number of Conservation Areas, in particular in the northern part of Merton, together with a high proportion of protected open spaces. In some cases (Wimbledon Town Centre), there was a high PTAL rating of 6 within a Conservation Area, the built fabric was predominantly two storey housing, leading to difficulties in housing delivery appropriate in high PTAL areas.</li> <li>- Height was cited as a critical issue in Merton with a feeling that many were unreceptive to taller buildings.</li> </ul>
<b>Community perceptions</b>	<ul style="list-style-type: none"> <li>- Stakeholders noted that residents were concerned about building height and in some cases reluctant to accept buildings any taller than the existing built form. The majority of housing delivered over the last decade is in the form of apartments; the most recent census shows that 62% of Merton is +3-bed homes.</li> <li>- Communities can feel disempowered and disengaged from the planning system due to its complexity, its long term nature and fear of lack of control over changes to their neighbourhoods.</li> </ul>
<b>Delivering affordable housing</b>	<ul style="list-style-type: none"> <li>- It is apparent both through our review of past delivery trends and through stakeholder engagement that there are issues with Housing Associations being less willing to provide affordable housing on small sites.</li> </ul>
<b>Application and decision timescales</b>	<ul style="list-style-type: none"> <li>- Smaller new build development schemes do come forward relatively quickly in line with other types of development whilst larger new build schemes take longer to come forward.</li> <li>- Following approval, some stakeholders cited long timescales and delays, for instance to agree a variation to a S106 agreement.</li> <li>- The lack of certainty around decision-making was cited as contributing to development risk and time in planning. This is cited also in national surveys on the planning system.</li> <li>- It was felt there was a need to inform and empower a wider range of residents to get involved in planning decisions in the future, and to do so at an earlier stage.</li> </ul>
<b>Political</b>	<ul style="list-style-type: none"> <li>- National implemented and proposed planning reforms creating uncertainty, also future Building Regulations reform</li> </ul>
<b>Technological</b>	<ul style="list-style-type: none"> <li>- Changes in technology e.g. increased support and capability for modular build, not being kept pace by lenders and mortgage market who often won't lend against such properties.</li> </ul>

### 3. Action Plan

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
1	Delivery of New Local Plan	Site specific issues; character and design; community perception; decision making; political; delivering affordable housing	The New Local Plan has detailed policies and site allocations that have the capacity to meet the housing need for the plan period.  Updated Policies Map published this in an online and interactive format.	Future Merton	High	0-5 years	Authority Monitoring Report  Monitor development pipeline	Examination stage, awaiting Inspectors to publish final report.  <a href="#">Online Policy web map.</a>
2	Support delivery of key sites by proactive engagement with developers, landowners and agents focussing particularly on key sites.	Land supply; site specific issues; character and design; community perception; decision making; political; delivering affordable housing.	E.g. Wimbledon Stadium Benedict Wharf Mitcham Gasworks	Future Merton, Development Control, corporate, councillors	High	0-10 years	Site delivery	New Local Plan; Future Wimbledon SPD Adopted 2020; Borough Character Study;
3	Encouraging development to optimise site density and where appropriate prepare site development briefs, building on Merton's Small Sites Toolkit and Borough Character Study to provide greater clarity and certainty.	Land supply; macro- economic and viability; site specific issues; character and design; community perception; decision making; delivering affordable housing.	The council actively engages with key landowners and developers in Merton to encourage development. With respect to the housing need in the borough, the council will actively encourage developers to optimise site density in accordance with the New London Plan Policy D6 to increase overall housing delivery.	Future Merton, Development Control	Medium	0-15 years	Site delivery / number of homes in AMR	Merton Character Study SPD Adopted 2021 provides guidance on the character of different neighbourhoods in Merton, categorises them into repair, re-examine and re-imagine. <a href="https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/character-study2021">https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/character-study2021</a>

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
4	Support the delivery of new homes on small sites including proactive use of Merton's Small Sites Toolkit when engaging with developers at pre-application and application stages.	Land supply; site-specific issues; character and design;	London Plan 2021 has a small sites target of 261 new homes per year to be delivered in Merton. Merton is a small sites borough and this number of new homes on small sites is considered deliverable. The aim is to improve the quality of new homes on small sites and provide certainty around planning.	Future Merton / Development Control	Medium	0-15 years	AMR	Merton Small Sites Toolkit SPD Adopted 2021 provides guidance on design, planning process and delivering high quality new homes on small sites. <a href="https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/small-sites">https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/small-sites</a>
5	Investigate the barriers and constraints to housing delivery by engaging with developers/ agents of sites where it appears that construction activity has not started or stalled.	Land supply; macro- economic and viability; site specific issues; character and design; community perception; decision making; delivering affordable housing.	Merton is a relatively constrained borough in terms of land for new homes which does not have significant brownfield development land, significant large sites or many regeneration opportunities. The council will explore the barriers and constraints to housing delivery.	Future Merton	Medium	0-15 years (every 3 years)	AMR/Annual Position Statement / Housing Delivery Action Plan	LB Merton commissioned a Housing Delivery Study 2021 to explore barriers to delivery. This involved a wide engagement exercise which included local residents, landowners, planning agents, developers, registered providers, officers and councillors. <a href="https://www.merton.gov.uk/planning-and-buildings/planning/local-plan-research">https://www.merton.gov.uk/planning-and-buildings/planning/local-plan-research</a>
6	Monitor housing delivery and maintain a strong housing-related evidence base to assist in the early detection of housing delivery issues and timely interventions to	Land supply; macro- economic and viability; site specific issues; character and design; community perception; decision making; delivering affordable housing.	LBM monitors applications for new homes in the borough as part of the Authority Monitoring Report. There is a detailed database where information about each application and its delivery is maintained. Methods for monitoring make the most of GIS, council tax, Google aerial	Future Merton	High	0-15 years (annually)	AMR	LB Merton publishes the following documents on the website to monitor housing delivery:  <ul style="list-style-type: none"> <li>- AMR</li> <li>- Annual Position Statement</li> </ul>

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
	resolve these issues.		and Streetview data and site visits.					- Housing Delivery Test Action Plan  <a href="https://www.merton.gov.uk/planning-and-buildings/planning/local-plan#titleCol20">https://www.merton.gov.uk/planning-and-buildings/planning/local-plan#titleCol20</a>
7	Continue to engage and work collaboratively with Clarion Housing Group to ensure delivery of the Estate Regeneration of Eastfields, High Path and Ravensbury Estates.	Land supply; site specific issues; Landowners/ developers circumstances; macro-economics and viability concerns; character and design; delivering affordable housing;; decision-making;	Clarion Housing Group are delivering regeneration across three estates Eastfields, High Path and Ravensbury, supported by Merton's Estates Local Plan (2018). The 15 year programme is the largest housebuilding programme in Merton; it will build approximately 3,258 new homes, including replacing approximately 1,174 homes for existing tenants and homeowners to a modern standard. The latest update on progress is published in the AMR each year.	Environment and Regeneration	High	0-15 years (delivery in phases)	Regular meetings with Clarion Housing Group; also AMR	<a href="#">Estates Local Plan adopted 2018</a> to support the delivery of estate regeneration.  Planning Performance Agreement in place with Clarion and regular meetings to ensure delivery of regeneration on all three estates.  Supported by associated decisions of Cabinet / <a href="#">Council in February 2018</a> and <a href="#">Cabinet September 2021</a> on supporting CPO in principle and clawback.
8	Deliver Morden town centre regeneration	Land supply; site specific issues; Landowners/ developers circumstances; macro-economics and viability concerns; character and design; community perception; delivering	Work with key stakeholders including TfL, GLA; Homes England to deliver the regeneration of Morden town centre.  Long term support at consultation for regeneration; Cross party political support – Morden Steering Group of local councillors.	Future Merton	High	0-15 years	Morden Regeneration project governance  Authority Monitoring Report	Due diligence including meetings with residents, councillors (Morden Steering Group) government, GLA, TFL to progress the project. Includes soft market testing

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
		affordable housing; decision-making; political;	Soft market testing shows developer interest.					
9	Explore opportunities of former / current retail sites, including co-location and where appropriate prepare development briefs to guide development and provide certainty.	Land supply; macro-economics and viability concerns; character and design; delivering affordable housing;	For example supporting housing delivery on sites at Burlington Road, Bushey Road and Colliers Wood.	Future Merton	Low	0-15 years	AMR and site delivery	Local Plan site allocations (2014 and new Local Plan)
10	Deliver new homes on council owned land	Land supply; site specific issues; landowners / developers circumstances; macro-economic and viability concerns; stalled sites; character and design; community perception; delivering affordable housing; political;	Assess all Council owned sites to determine which can be brought forward for development, involving working with key partners to support delivery.	Sustainable Communities	High	0-5 years	Merton's Property Asset Management Board	<p>Merton is part of the One Public Estate programme, which is delivered in partnership with the Local Government Association and the Office of Government Property within the Cabinet Office. The aim of the programme is to connect public sector partners to take a strategic approach to making more of our collective assets. One of the core objectives is to deliver new homes on public sector land.</p> <p>As a result of the One Public Estate project, a number of sites in Merton have been identified as suitable for development and have been</p>

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
								<p>included in the draft New Local Plan.</p> <p>There is an opportunity to increase housing supply on public sector land (brownfield). We can reduce the risk at planning application stage by allocating any suitable sites in the New Local Plan. These sites are diverse in range and size and timescale for delivery.</p> <p>Merton Council committed at <a href="#">Cabinet</a> in June 2023 to build around 400 new affordable homes on council-owned land.</p>
11	Work jointly with the GLA and delivery partners on preparation of Merton's Opportunity Area Planning Framework	stalled sites; character and design; community perception; political;	Wimbledon / Colliers Wood / Morden – work with GLA  See also delivery of Morden town centre regeneration.	Future Merton	Low	5-15 years	GLA / OAPF monitoring	Met with GLA in September 2021 to discuss what a Merton OAPF framework would look like. Agreed to pursue once New Local Plan has been adopted. Lower priority due to lack of funding.
12	Stakeholder engagement	Land supply; landowners / developers circumstances; macro-economic and viability concerns; stalled sites; character and design;	Utilise existing 'Agents and Developer Forums' to promote opportunities in the borough	Future Merton, Corporate – Chief Exec and Leader	High	0-15 years		Merton Council engages proactively with developers at forums such as SiteMatch (London based) and MIPIM (international) to encourage housebuilding activity, support delivery and signal support for investment. We have focused on areas where

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
								there is a need to stimulate market demand in Merton. In 2019 both councillors and officers attended MIPIM, demonstrating co-ordination within the council.
13	Improve the planning application process.	application and decision timescales; decision making; political;	<p>Investigate with the Development Management Team what practical measures/mechanism can be introduced to speed up the delivery of development schemes.</p> <p>The main purpose of a Planning Performance Agreement (or PPA) is to provide a framework, agreed between the local planning authority and the applicant or potential applicant, about the process for considering a major redevelopment proposal. PPAs should give greater certainty to the planning process and help foster a collaborative approach to designing better development. For a developer PPAs provide a more transparent and proactive approach to the planning process. Where there is a charge for the PPA, the applicant can be more assured that the resources needed to achieve the agreed timetable will be in place to do so.</p>	Sustainable Communities	Medium	5-15 years	Planning performance Department for Levelling Up, Housing and Communities (DLUHC)	<p>LBM is engaging in pre-application discussions to ensure issues are addressed early and using Planning Performance Agreements</p> <p>Resources are a major determinant of quality of development control function in the council. Merton Council will continue to monitor resourcing in the development management team to ensure that planning applications are processed on time and are not a barrier to the delivery of housing.</p> <p>LBM has a number of active PPAs in place for major schemes in the borough.</p>

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14	Monitor S106 and CIL collection	site specific issues; landowners / developers circumstances; macro-economic and viability concerns; delivering affordable housing; application and decision timescales; decision making; political;	Ensure that CIL and S106 procedures are streamlined and consistent to ensure efficient progression. Ensuring adequate resourcing for the progression of Section 106 agreements will help reduce the delay which can occur, in particular between the resolution to approve at planning committee and the eventual sign of a planning permission.	Future Merton / Development Control	High	0-15 years	Pan London groups	Merton officers participate in pan-London S106, CIL and viability group which enables information sharing and comparisons across the London housing and planning market. The council also prepares an <a href="#">Infrastructure Funding Statement</a> demonstrating S106 and CIL spend as well as monitoring housing delivery from pre-application to final completion and comparing the different timescales.
15	Implementing planning permissions	site specific issues; landowners / developers circumstances; macro-economic and viability concerns; delivering affordable housing; application and decision timescales; decision making; political;	The council has taken a proactive approach on non-implemented planning permissions by contacting applicants that have received a recent planning permission. Pre-commencement conditions can result in the delay to schemes being implemented, and the reduction or simplification of pre-commencement conditions could potentially speed up the delivery of new homes. Another issues for some schemes is the time taken to discharge planning conditions. However, there are not considered to be significant planning barriers to the overall delivery of development.	Future Merton / Development Control	High	0-15 years	AMR	The delivery rates of planning permissions are monitored through the AMR. Merton has not identified any evidence to suggest that implementation rates are significantly affecting housing delivery.



Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
16	Update and review the Brownfield Land Register	community perception; political;	Updated and published on the council's website annually	Future Merton	Low	Ongoing		<a href="https://www.merton.gov.uk/planning-and-buildings/planning/brownfield-land-register">https://www.merton.gov.uk/planning-and-buildings/planning/brownfield-land-register</a>
17	Update and review Self-build and Custom build Housing Register	community perception; political;	Updated regularly and reviewed annually	Future Merton	Medium	Ongoing		All members of the register contacted in 2020 to see if they were still interested <a href="https://www.merton.gov.uk/planning-and-buildings/planning/join-the-self-build-custom-register">https://www.merton.gov.uk/planning-and-buildings/planning/join-the-self-build-custom-register</a>
18	Identify and finalise key infrastructure requirements and priorities to support future growth.	site specific issues; macro-economic and viability concerns; character and design; community perception; delivering affordable housing;	Ensuring infrastructure is not a barrier to increasing housing supply.  The capacity of local infrastructure is a key consideration for housing growth. With development comes the opportunity to increase infrastructure capacity through financial contributions and joint working with infrastructure providers such as Transport for London.	Future Merton with Mayor of London and other infrastructure providers within and beyond the council	High	Completed as part of New Local Plan - 2022		Work with key infrastructure partners such as Transport for London, Crossrail 2, Network Rail and NHS.  Have an up to date Infrastructure Needs Assessment as part of the New Local Plan  <a href="https://www.merton.gov.uk/Documents/2021-04-06%20-%20Merton%20IDP%202021%20Final.pdf">https://www.merton.gov.uk/Documents/2021-04-06%20-%20Merton%20IDP%202021%20Final.pdf</a>
19	Investigate further whether CPOs (Compulsory Purchase Orders) should be considered as a measure on stalled housing sites	Land supply; site specific issues; landowners / developers circumstances; macro-economic and viability concerns; stalled sites; delivering affordable housing; application and	The council may be willing to consider CPO to enable long-term investment to unlock difficult sites and accelerate and optimise housing delivery. The council has also shown that it is willing to take financial and reputational risks to deliver new homes as well as cross-party long term support for delivering new homes.	Future Merton, Corporate Management Team, South London Legal Partnership	Medium	0-15 years		In February 2018 Merton Council resolved at a full council meeting to use Compulsory Purchase Order powers to facilitate that regeneration of three housing estates led by Clarion Housing Group, and for the regeneration of Morden town centre led by Merton Council, Transport for London and a

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
		decision timescales; political;						development partner. See council decisions in 2021-22.
20	Identify briefings / training for members on the Local Plan and development viability	character and design; community perception; delivering affordable housing; application and decision timescales; political;	LBM subscribes to training through Urban Design London, New London Architecture and Future of London. These events provide opportunities for officers and councillors to access training events specifically on the delivery of new homes.	Future Merton, Development Control and Councillors	Low	Ongoing		In addition to access to training the Future Merton team regularly provides quarterly member briefings, and meets weekly with the Cabinet member
21	Work with developers and Registered Providers to enable delivery of affordable housing	site specific issues; landowners / developers circumstances; macro-economic and viability concerns; community perception; delivering affordable housing;	<p>Ensure the delivery of affordable housing is a key priority and will seek to maximise its provision.</p> <p>In order to ensure that the delivery of affordable housing on schemes coming forward is meeting the needs of households on the housing waiting list Merton Council will make sure that Registered Providers, Developers and the council's housing team are involved in the decision making process.</p>	Merton Community and Housing Team, Future Merton, Development Control and Councillors	High	0-15 years		<p>Ongoing developer engagement during planning process.</p> <p><a href="#">Housing Delivery Strategy</a> engagement and feedback.</p> <p>Housing delivery research.</p> <p>Engagement with Registered Providers via many routes: council scrutiny, planning applications process, housing management, Sustainable Communities and Transport Partnership etc.</p>
22	Monitor the cost of policy requirements as a barrier to delivering housing	site specific issues; landowners / developers circumstances; macro-economic and viability concerns; stalled sites; character and design; delivering	The council carries out viability reviews at the Local Plan stage and at the planning application stage where applicants state that policy compliance is not viable. These reviews combined with pan-London comparisons allow us to consider the fluctuations in costs and values and how it	Future Merton / Development management	High	0-15 years	AMR, particularly proportions of affordable housing per scheme	<p>Housing Viability Study 2020 <a href="https://www.merton.gov.uk/assets/Documents/Merton%20Local%20Plan%20Housing%20Viability%20Study%202020.pdf">https://www.merton.gov.uk/assets/Documents/Merton%20Local%20Plan%20Housing%20Viability%20Study%202020.pdf</a></p> <p>Pan-London viability group (of which Merton Council is a member)</p>

Ref	Action	Addresses root cause	Commentary	Responsible department	Priority	Timescale	Method of Monitoring	Progress
		affordable housing; political;	might impact development delivery.					
23	Monitor performance in appeals	macro-economic and viability concerns; stalled sites; community perception; delivering affordable housing; application and decision timescales;	Monitoring the frequency and outcomes of planning appeals is important for understanding how policies and decision-making are functioning together.	Future Merton and Development Management	Medium	0-15 years	AMR	The council is already monitoring planning appeals and has approximately 15 years of data. Where planning permission is refused for a scheme, Merton's appeal performance is good. This demonstrates the soundness of decision making by the planning services and that unsound decisions are not leading to unnecessary delays and costs to the delivery of new homes.
24	Employment and supply chain	site specific issues; landowners / developers circumstances; macro-economic and viability concerns; technological	Where issues exist with the local capacity of the construction industry, initiatives may be needed to work with education, training and local businesses to enhance and build local capacity across the construction industry.	Council-wide (including Future Merton economy, CSF, HR)	Low	0-15 years	Economy team with CSF	Working with the South London Partnership, Merton has started The Construction Hub to help bring people to work in the construction industry <a href="http://southlondonpartnership.co.uk/skills/mayors-construction-academy-hub/">http://southlondonpartnership.co.uk/skills/mayors-construction-academy-hub/</a>
25	Ensure that the council's Scrutiny function continue their monitoring of housing matters	Community perception; delivering affordable housing; application and decision timescales political.	The council's scrutiny functions have played an active role in monitoring housing related issues.	Council	Medium	0-15 years	Democratic Services	This has included a dedicated Housing Supply Task Group in 2015 and scrutiny of the council's decision to support regeneration in October 2021

## Appendix 1

Rt Hon Michael Gove MP  
Secretary of State for Levelling up Housing &  
Communities  
Minister for Intergovernmental Relations 2  
Marsham Street  
Sent by email [michael.gove.mp@parliament.uk](mailto:michael.gove.mp@parliament.uk)

**Housing and Sustainable Development  
London Borough of Merton**

**Merton Civic Centre  
London Road Morden**

**Direct Line: 020 8545 3365**

**Date: 21/12/2023**

Dear Rt Hon Michael Gove MP,

### **Housing Delivery Test 2022 – London Borough of Merton request for unscheduled correction**

Thank you for publishing the Housing Delivery Test (HDT) 2022. I am writing to request a substantial change to the data reported for the London Borough of Merton as practicable, in line with the UK Statistics Authority's Code of Practice.

The HDT 2022 Measurement published on 19<sup>th</sup> December 2023 omits 404 homes that were built in the London Borough of Merton during 2021-22. These homes are derived from the completion of a single large site adjacent to Wimbledon Stadium (14/P4381 as amended). The revised data stating that 921 new homes were delivered was submitted to DLUHC via the Greater London Authority on 4<sup>th</sup> July 2023, but this has not been used in the published Housing Delivery Test 2022.

We also request a correction to the housing requirement for 2019-20. In accordance with the HDT Rulebook, the homes required for the London Borough of Merton should be calculated using the London Plan 2016 target of 411 new homes, reduced by one month to account for the disruption caused by Covid. This was published in the [HDT 2020](#) measurement as 377 homes.

Table 1 and Table 2 set out the difference between the published and correct data.

The published statistics have a material effect on the quality and thus reliability of the HDT Measurement 2022 and the subsequent consequence for the London Borough of Merton is the presumption in favour of sustainable development. The failure to correct these statistics will have a major impact on planning in our borough.

My team are happy to support and answer any queries your team may have in considering our request. I look forward to hearing from you at your earliest convenience.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lucy Owen', with a long horizontal stroke extending to the right.

Lucy Owen

Executive Director of Housing and Sustainable Development Email:

[lucy.owen@merton.gov.uk](mailto:lucy.owen@merton.gov.uk)

cc.

- Neil Higgins, Department of Levelling Up, Homes and Communities  
[Neil.Higgins@levellingup.gov.uk](mailto:Neil.Higgins@levellingup.gov.uk)
- Alex Green, Greater London Authority [alexandra.green@london.gov.uk](mailto:alexandra.green@london.gov.uk)
- [planningdata@london.gov.uk](mailto:planningdata@london.gov.uk)
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**Table 1: Published HDT Measurement 2022 Figures**

Area Name	Number of homes required			Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing Delivery Test: 2022 measurement	Housing Delivery Test: 2022 consequence
	2019-20	2020-21	2021-22		2019-20	2020-21	2021-22			
Merton	526	611	918	2055	346	604	517	1467	71%	Presumption

**Table 2: Correct HDT Measurement 2022 Figures**

Area Name	Number of homes required			Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing Delivery Test: 2022 measurement	Housing Delivery Test: 2022 consequence
	2019-20	2020-21	2021-22		2019-20	2020-21	2021-22			
Merton	<b>377</b>	611	918	<b>1906</b>	346	604	<b>921</b>	<b>1871</b>	<b>98%</b>	<b>None</b>
	As published in 2021 HDT measurement - 11 months of 411 -London Plan 2016 target	As published in 2022 HDT measurement - 8 months 918 – London Plan 2021 target	London Plan 2021 target				Figure re-submitted to DLUHC by GLA in June 2023. Extra 404 homes related to partial completion of Wimbledon Stadium planning ref 14/P4361	Updated figure	Updated figure	Updated consequence

**Appendix 1: Letter to Secretary of State requesting unscheduled correction to the HDT Measurement 2022**