

# **Committee: Borough Plan Advisory Committee**

**Date: 07 March 2013**

Agenda item: 05

Wards: all

## **Subject: Housing supply in Merton**

Lead officer: Director of Environment and Regeneration, Chris Lee

Lead member: Cabinet Member for Environmental Sustainability and Regeneration,  
Councillor Andrew Judge

Forward Plan reference number: N/A

Contact officer: Strategic Policy Manager, Tara Butler

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### **Recommendations:**

A. That councillors note the contents of this report.

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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1. Over the past 10 years, national and London-wide planning policy supports the delivery of new homes. Merton is expected to deliver its share of London's new homes, currently set by the London Plan at 320 new homes per year.
- 1.2. Merton's Annual Monitoring Reports since 2004 demonstrate that Merton has met its share of London's housing need each year.
- 1.3. As many housing sites were identified in Merton's Unitary Development Plan 2003, over the next 10 years, Merton is expected to contribute to London's housing needs through sites identified in the *Sites and Policies Plan*.
- 1.4. This report is to update Members on the requirements expected of Merton in contributing to new homes, to update Members on the Mayor of London's revisions to housing targets
- 1.5. At the meeting on 07 March 2013, large borough-wide maps will be presented to illustrate the location of sites for new homes that are likely to be delivered in Merton over the next five years.

## **2 DETAILS**

- 2.1. Since 2004<sup>1</sup>, national and regional policy has required Merton to contribute to housing need through the completion of new homes within the borough. Each of the three London Plans published during the last 10 years (in 2004, 2008 and 2011) has set out each borough's share of London's housing target. This target is supported by a GLA co-ordinated pan-London Strategic Housing Land Availability Study (SHLAA).

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<sup>1</sup> The Planning and Compulsory Purchase Act 2004 and associated regulations and guidance; the London Plan 2004

- 2.2. As each London Plan is created, Merton's officers have worked hard with the Greater London Authority to ensure that Merton's target in each plan reflects the capacity of Merton to deliver new homes. Merton is the only London borough where the housing target has reduced on each occasion, from 430 new homes per annum in the London Plan 2004, to 370 new homes in the London Plan 2008, to 320 in the London Plan 2012
- 2.3. This target is based on an assessment of the potential for built homes, not on the number of planning permissions granted. In practice, this means that councils National and regional planning policy during this time has required boroughs to meet their annual target, and publish projections for the following five years, known as a five-year housing supply. The specific sites on which the projections are based must be published alongside the projections and the sites must all be:
- Suitable: physically appropriate for the development of new homes
  - Available: have landowners / developers support and be without significant legal impediments
  - Achievable: financially viable
- 2.4. Successive governments have placed a high priority on the delivery of new homes. Councils that cannot demonstrate a five-year housing supply are expected to place greater weight on the need to deliver new homes when making planning decisions.
- 2.5. Evidence from planning appeals against the refusal of planning permission involving new homes also demonstrates the significant weight given by planning inspectors to the Council's performance in delivering new homes to meet it's housing target..
- 2.6. Appendix 1 demonstrates Merton's housing delivery from 2001-2011 and the large maps that accompany this.

### **Future delivery of new homes**

- 2.7. Merton's *Sites and Policies Development Plan* is expected to identify most of the specific sites on which Merton's share of London's housing target is expected to be build, currently 3,200 new homes over 10 years.
- 2.8. Housing targets are informed by an assessment of London's housing need and the capacity for new homes to be built in an area. Capacity includes consideration of the amount of available land, the appetite of the development industry to build new homes in that location and the capability of other objectives, such as meeting associated need for education, healthcare and other supporting infrastructure, protecting employment land, parks and open spaces.
- 2.9. In London and the south east of England, housing need is usually assessed as significantly higher than the capacity of an area to absorb new homes. For example, Merton's housing need was assessed in 2006 as being for more than 1,000 new homes per year, whereas housing capacity for the same period was 430 new homes per year.
- 2.10. The Mayor of London is currently undertaking a new Strategic Housing Land Availability Assessment to try and identify the typical examples of sites in

each area across London that new homes might be built on. From the extensive work undertaken on delivery of new homes between 2001 and 2011 to support Merton's Core Planning Strategy we know that:

- Merton's housing delivery is typified by a large number of small sites, less than five units per site, and with relatively few sites of more than 50 new homes. This is not typical of London.
- Between 2001-10 an average of approximately 60 additional new homes per year were delivered from the conversion of houses into flats; this appears to have reduced since the adoption of Merton's Core Planning Strategy in 2011
- It is anticipated that a large proportion of housing growth (1,450 – 1,800) over the plan period is projected to come from Morden, with a large proportion of this anticipated to come from the planned regeneration of Morden town centre.
- Wimbledon is envisaged to be the focus of incremental residential development.
- Colliers Wood and South Wimbledon, is also envisaged to contribute incrementally to housing development of brownfield sites. However regard to the impacts of environmental factors, such as flooding are particularly pertinent in these locations.
- Raynes Park is anticipated to contribute a relatively smaller quantum of additional housing largely located around its town centre.
- Merton's Core Planning Strategy 2011 encourages housing in sustainable brownfield locations by a number of approaches including:
  - Bringing forward housing capacity through regeneration, including Morden town centre;
  - Prioritising the efficient development of previously developed land;
  - Having regard to the London Plan density ranges;
  - Enabling mixed use development within town centres;
  - Bringing vacant properties back into use through the council's empty homes strategy;

2.11. The Mayor's SHLAA will be the main evidence to inform the new housing target. The GLA's scoping paper on the Mayor's SHLAA states

*Policy 3.3 of the London Plan<sup>2</sup> sets out boroughs' housing targets based on data from the 2009 SHLAA. The Plan makes a commitment to update these targets by 2015/16. To do this, it is proposed that the GLA coordinate a new SHLAA and use the results to inform preparation of new targets for a Further Alteration to the Plan. This in turn will address Government's wider objectives to ensure that both strategic and local plans are updated to encourage growth through sustainable development.*

*The language of the NPPF implies a greater focus meeting housing need; whereas PPS 3 used language such as "taking into account" "addressing" needs and demand the NPPF states that local planning authorities should use their evidence base to ensure that their local plan meets the full, objectively assessed needs for market and affordable housing. It is important therefore, that we can demonstrate, as far as is consistent with other policies in the NPPF and the London Plan that we are striving to close this gap between need and supply. That in turn will mean that the results are as robust as possible for use in local plans.*

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<sup>2</sup> London Plan, GLA, July 2011

- 2.12. Merton's share of London's housing target is expected to be published by the end of this year.
- 2.13. At the examination of Merton's *Sites and Policies Development Plan* the planning inspector will assess whether the sites within the plan adequately contribute to meeting Merton's share of London's housing need. Merton's development plans must generally conform to the Mayor's London Plan
- 2.14. This report updates Members on the requirements expected of Merton in contributing to new homes, and to advise that a SHLAA study, coordinated by the GLA is currently underway, the results of which will revise borough housing targets. Officer will continue to update councillors as appropriate.

### **3 ALTERNATIVE OPTIONS**

- 3.1. None for the purposes of this report.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. The Mayor of London is consulting borough officers on the preparation of the London's Strategic Housing Land Availability Assessment and officers will keep councillors up to date on its progress.

### **5 TIMETABLE**

- 5.1. DATES FOR PUBLISHING

### **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. There is no direct financial to a council is failing to deliver new homes within the area.
- 6.2. There would be direct resource implications if the *Sites and Policies Plan* or any other development plan did not demonstrate that it adequately delivered Merton's share of London's new homes.
- 6.3. There are indirect resource implications in defending planning appeals and managing the expectations of Merton's communities should planning appeals against schemes for new homes be allowed.

### **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1. Merton

### **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. An equalities impact assessment is being prepared alongside the Sites and Policies and Proposals Map DPDs and is informing their contents.

### **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. None for the purposes of this report.

### **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1. None for the purposes of this report.

### **11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**