

London Borough of Southwark Response

Examination of the New Southwark Plan

Inspectors' Matters, Issues and Questions

Matter 6 – Housing Land Supply

Issue 1

Is the level of housing required deliverable in years 1-5 (2020/21-2024/5) and developable in years 6-15 (2025/6-2035/6)?

Housing Supply and Delivery

Question 6.1

Since the base date of the Plan at 1 April 2018, how many dwellings have been built in Southwark to 31 March 2020? Is that a net figure, allowing for demolitions and loss of stock?

1. The Housing Background Paper (SP101) sets out the gross and net annual completions (table 4) and approvals (table 3) from 2004 –2019. The table below highlights the net completions figure for the financial year 2018-2019 (April 1st 2018 – March 31st 2019) of 3,208 homes. This is a net figure which accounts for demolitions and loss of stock.
2. We have completed the annual completions survey for April 1st 2019 – March 31st 2020 and submitted this information to the Greater London Authority (GLA) as required. Due to a change in reporting systems and the automation of the London Development Database, this information has not been verified with the GLA. When the figures are verified, this matter will be updated.
3. The GLA submitted the completions figures to MHCLG as part of the Housing Delivery Test Action Plan. Due to the change in the reporting system, the GLA has confirmed that MHCLG has agreed to accept revisions in the summer to ensure Boroughs are content with their figures before the GLA resubmit the return. MHCLG is expecting these revisions as the GLA advised them the exercise was being carried out manually and may lead to errors.
4. The Housing Delivery Test Action Plan results for 2020 (based on the figures from the GLA) were published by Ministry of Housing, Community and Local Government (MHCLG) in January 2021 and indicate that Southwark has a delivery of 72% of homes against our housing target, 5,332 homes out of the

required 7,403 homes. As our completion figure is below 85% this requires a 20% buffer to be added to our housing supply. The Inspectors have acknowledged these results in their letter New Southwark Plan - Housing Delivery Test Results 2020, dated 25 January 2021 (EIP52).

5. In the previous two years our completion figures have been 80% in 17/18 and 93% in 2018/19.
6. Following the verification of the results, the Leader of Southwark Council will write to the Secretary of State raising concerns over the Housing Delivery Test result due to the accuracy of the data provided to MHCLG by the Greater London Authority (GLA). We are awaiting verification of these figures with the GLA and are confident the figures provided are fall short of our actual delivery and we have delivered more than 75% of our target (to achieve 75% an additional 222 units would need to be delivered in 2019/2020). We are in discussions with the GLA about the figures and when the figures are verified, this matter will be updated.
7. In addition to the above, it is important to note that the 2019/20 housing requirement figure used within the HDT appears to be the adopted London Plan housing target for Southwark of 2,736 homes. The Mayor sets out a ten-year target in the Publication London Plan (2020) to account for larger schemes that may take several years to be fully built out, such as the schemes underway in the Old Kent Road Opportunity Area and those connected to the Bakerloo Line extension project. Southwark's ten-year target, as set out in the Publication London Plan (2020), is 23,355 new homes – giving an average annual figure of 2,355. This is the figure that informs Southwark's Five and Fifteen Year Housing Land Supply with the required 20% buffer, as per the NPPF requirements. The Publication London Plan (2020) target alongside the New Southwark Plan, which is also at an advanced stage, should therefore be considered as the housing target for Southwark instead of the previous London Plan target.
8. There is a one-month deduction in the HDT housing requirement for 2019/2020 as a result of restrictions relating to COVID-19. In reality, the construction industry stalled for longer than one month, in many cases causing 3-month delays on projects. We consider that the Government should adjust their approach to the HDT to account for the full fallout of the pandemic on the construction industry.

Net Completions Table

Financial Year (1 Apr - 31 Mar)	Housing Total	Market Total	Affordable Housing			
			Affordable Housing total	Social Rent	Affordable Rent	Other Intermediate
2004 - 2005	1227	1066	161	50	NA	111
2005 - 2006	1394	1116	278	69	NA	209
2006 - 2007	1958	1223	735	330	NA	405
2007 - 2008	1249	713	536	63	NA	473
2008 - 2009	1041	742	299	159	NA	140
2009 - 2010	1333	633	700	421	NA	279
2010 - 2011	1391	832	559	146	NA	413
2011 - 2012	1084	491	593	459	NA	134
2012 - 2013	1065	577	488	326	NA	162
2013 - 2014	1669	1186	483	299	24	160
2014 - 2015	1216	1107	109	-121	61	169
2015 - 2016	1390	1277	113	-166	132	147
2016 - 2017	2432	1880	552	371	22	159
2017 - 2018	859	675	184	90	15	79
2018 - 2019	3208	2582	626	190	45	391
2019-2020	tbc	tbc	tbc	tbc	tbc	tbc
Total	22516	16100	6416	2686	299	3431
Annual Average	1501	1073	428	179	20	229
Percentage	100%	72%	28%	12%	1%	15%

Question 6.2

What is the estimated total supply of new housing over the plan period?

1. Given the significant need for housing in Southwark the delivery of new homes is one of our strategic priorities. We are committed to delivering as many new homes as possible, including social rented and intermediate homes to meet our acute need as demonstrated above in the Table showing net completions since 2004. These homes should be of high quality and provide security for our residents to ensure they can feel safe in their homes.
2. The delivery of new homes needs to be balanced with the delivery of other land uses to achieve sustainable development, including employment, education, health and community uses and open space. The site allocations therefore set out the required land uses for development coming forward on the sites to ensure we can achieve our development needs for Southwark.
3. The main development needs are for housing and employment space (including town centre uses) and the NSP must balance the delivery of both. We must make land available to house a growing population, encourage economic growth, enhance Southwark's town centres and London's Central Activities Zone (CAZ) and ensure that adequate infrastructure is provided. The NSP must also ensure that development is sustainable and makes effective use of previously developed land.
4. Our housing policies seek to meet our housing need, through encouraging housing supply and requiring it on site allocations in appropriate locations.
5. The Publication London Plan (2020) 10 year target for Southwark is 23,550 net additional homes as set out in the New Southwark Plan which is based on strategic need and capacity in London as a whole. This equate to 2,355 homes per annum.
6. As set out in the Strategic Targets Background Paper (EIP161) the plan period for the Plan will be updated to 2020-2035 and the housing target in Policy SP1 will be updated to reflect this. It is also proposed to reinforce our support for delivery of homes on small sites within Policy SP1 as set out in the Strategic Targets Background Paper (EIP161).
7. Policy SP1 in the Plan (EIP27A) sets out how we will meet our housing need and achieve our affordable housing target of 50% through:
 - Meeting and exceeding our housing target of 35,325 homes between 2020-2035;

- Building 11,000 new council homes by 2043 as part of our overall housing target, by developing our own land and developing on some of our existing estates, including in-fill development;
 - Encouraging developers to increase the provision of social rented and intermediate homes on sites beyond 35% (set in Policy P1);
 - Encouraging developers to receive affordable housing grant to increase the provision of social rented and intermediate housing;
 - Encouraging developers to provide more social rented and intermediate housing through the fast track route.
8. Southwark Council is the largest social landlord in the capital, a legacy we continue to build upon year-on-year. The Housing Strategy (EIP156, Principle 1) sets out how we will achieve our ambitious target of 11,000 council homes by 2043. There is a comprehensive programme in place to achieve this target, starting with the delivery or start on site of 2,500 homes by 2022 which is on track to be achieved. We have a programme in place to meet this target, which includes a new homes delivery team, a dedicated planning team and a new homes transformation board. We are already building new homes with 677 delivered, 576 under construction and a further 1,364 council homes with planning permission. A further 1,757 are in various stages of design development.
9. As set out in the Housing Background Paper (SP101) Paragraph 5.42 our social rented and intermediate housing requirement is 35% on developments providing housing (with the exception of Aylesbury Action Area). Our housing target is 50% affordable housing. Some of 15% shortfall between our housing target and requirement will be met through our new council homes delivery programme.
10. The delivery of social rented and intermediate homes is one of our strategic priorities. Our fast track route seeks to maximise the provision of affordable housing. It provides an incentive for developers to push up their social rented and intermediate housing provision as they can fast track their application.
11. Our housing supply figures need to be considered by looking at the site allocations in the plan and the capacity of homes they 'must' or 'should' deliver. In addition to site allocations, there is a supply of homes coming forward through planning permissions that are being implemented, area action plan site allocations that have permissions and windfall sites that will come forward through the consideration of development management policies.
12. The Plan includes an area vision for Aylesbury, and the Area Action Plan site allocations are identified in the vision map – as a factual update to the Plan, the AAP1, AAP2, AAP3 and AAP4 site allocations should be inserted into the Plan to

provide further guidance on any developments coming forward on the sites. The site allocations can be provided as main modifications to the plan. We have provided a draft site allocation as part of the update to the site allocations methodology paper to clarify the requirement in the NSP.

13. As set out in Q1.3 the housing supply should be modified from the basis of 1 April 2020. This requires updates to the 5 and 15 Year Housing Land Supply Report (SP105), the Site Allocations Methodology Report (EIP82) and the Housing Trajectory on Page 31 of Plan (EIP27A) to reflect the updated supply and timeframes for delivery which are being undertaken. This matter will be updated on completion.
14. An updated monitoring framework (EIP176) has been prepared to set out clearly what will be monitored online through the delivery of the Plan including housing and affordable housing delivery.

Question 6.3

What is the estimated supply from each source (allocations, permissions as of 1 April 2020, windfall) for the plan period? What is the evidence to support this and are the estimates justified?

1. Our strategy for delivering homes, including social rented and intermediate homes is set out under LBS response to Q6.2.
2. The housing supply should be modified from the basis of 1 April 2020. This requires updates to the 5 and 15 Year Housing Land Supply Report (SP105), the Site Allocations Methodology Report (EIP82) and the Housing Trajectory on Page 31 of Plan (EIP27A) to reflect the updated supply and timeframes for delivery which are being undertaken. These documents set out further information on the supply from each source of housing. This matter will be updated on completion.

Question 6.4

What is the housing requirement for the first five years following adoption of the plan and what buffer should be applied?

1. Our strategy for delivering homes including social rented and intermediate homes is set out under LBS response to Q6.2.
2. The Publication London Plan (2020) 10 year target for Southwark is 23,550 net additional homes as set out in the New Southwark Plan which is based on strategic need and capacity in London as a whole.

3. The five year housing supply requirement for Southwark in the London Plan is 2,355 homes per year, which equates to 11,775 homes over the five year period.
4. Due to an undersupply of homes over the previous three years, a 20% buffer has to be added to the five year target brought forward from later in the plan period as required by the National Planning Policy Framework. With the 20% buffer, Southwark's 5 year housing requirement is 14,130 homes.
5. The housing supply should be modified from the basis of 1 April 2020. This requires updates to the 5 and 15 Year Housing Land Supply Report (SP105), the Site Allocations Methodology Report (EIP82) and the Housing Trajectory on Page 31 of Plan (EIP27A) to reflect the updated supply and timeframes for delivery which are being undertaken. This matter will be updated on completion.

Question 6.5

Having regard to Planning Practice Guidance paragraph 68-007-20190722 what is the estimated total supply of specific deliverable sites for this period? What is the estimated supply from each source for this?

1. Our strategy for delivering homes including social rented and intermediate homes is set out under LBS response to Q6.2.
2. Planning Practice Guidance paragraph 68-007-20190722 sets out what the 5 year land supply is - a supply of specific deliverable sites sufficient to provide 5 years' worth of housing (and appropriate buffer) against a housing requirement set out in adopted strategic policies, or against a local housing need figure, using the standard method, as appropriate in accordance with paragraph 73 of the National Planning Policy Framework.
3. The housing supply should be modified from the basis of 1 April 2020. This requires updates to the 5 and 15 Year Housing Land Supply Report (SP105), the Site Allocations Methodology Report (EIP82) and the Housing Trajectory on Page 31 of Plan (EIP27A) to reflect the updated supply and timeframes for delivery which are being undertaken. The updated 5 and 15 Year Housing Land Supply Report will confirm the deliverable sites for the period. This matter will be updated on completion.

Question 6.6

What is the estimated total supply of developable sites for years 6-10 and 11-15? What is the estimated supply from each source for this (including windfalls)?

1. Our strategy for delivering homes including social rented and intermediate homes is set out under LBS response to Q6.2.

2. The housing supply should be modified from the basis of 1 April 2020. This requires updates to the 5 and 15 Year Housing Land Supply Report (SP105), the Site Allocations Methodology Report (EIP82) and the Housing Trajectory on Page 31 of Plan (EIP27A) to reflect the updated supply and timeframes for delivery which are being undertaken. The updated 5 and 15 Year Housing Land Supply Report will confirm the developable sites for the period and the estimated supply from each source. This matter will be updated on completion.

Question 6.7

What is the compelling evidence to support the windfall allowance? Is this consistent or comparable with the 'small sites' figure for Southwark identified in the Intend to Publish London Plan 2019?

1. Our strategy for delivering homes, including social rented and intermediate homes is set out under LBS response to Q6.2.
2. See our full response to this question in the Strategic Targets Background Paper (EIP161).

Question 6.8

Overall, would at least 10% of the housing requirement/target be met on sites no larger than one hectare?

1. Our strategy for delivering homes, including social rented and intermediate homes is set out under LBS response to Q6.2.
2. See our full response to this question in the Strategic Targets Background Paper (EIP161).