

Havering Cabinet Meeting on August 5 2020

Item to be approved for Havering Local Plan Main Modifications Public Consultation

**Housing Position Statement 2019 – Technical Update
(October 2019)**

August 2020



Examination into the Havering Local Plan 2016 - 2031

**Document for Public Consultation alongside the
Proposed Main Modifications**

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Havering
LONDON BOROUGH

Housing Position Statement 2019: Technical Update

October 2019*

*Minor changes to the May Update in line with letter titled 'Proposed adjustments to past housing completions and the May 2019 Housing Trajectory'

1. Introduction	2
2. Policy Context	8
National Planning Policy Framework	8
MHCLG Consultation: Planning for the right homes in the right places and the NPPF 2018	9
The London Plan 2016 (Consolidated with Alterations since 2011)	10
Draft London Plan 2017	10
3. Havering's past delivery	11
Overall Housing Numbers	11
Affordable Housing	13
4. Havering's Housing Need	14
Housing Need and the NPPF	14
Housing Need and the London Plan 2016	14
Havering's Housing Need: The Outer North East London SHMA 2016	15
Overall housing need	15
Affordable housing need	15
Specialist older persons housing	16
5. Havering's Housing Targets	18
Overall Housing Target	18
Havering Size Mix	21
Affordable Housing Targets	25
Havering's Affordable Housing Targets	25
6. Havering's Sources of Supply	28
Assessing whether sites are 'deliverable' or 'developable'	36
Build out rates, lead in times and phasing of development	38
Application of a Discount Rate	45
7. Calculating Havering's 5 Year Supply	47
Havering's 10 and 15 Year Supply	50
8. Housing Implementation Strategy	51
Strategic Planning	52
Future Sources of Supply	53
Active Involvement in Housing Delivery	53
The development management process	53
Infrastructure delivery	54

1.1 Monitoring and early review.....	55
Conclusion	56
List of Annexes.....	57

Introduction

- 1.1.** This updated Housing Position Statement has been prepared to support the Proposed Submission Local Plan. It follows discussions at the Local Plan Examination hearings in October 2018 and addresses the matters raised by the Inspector and third parties at the Examination.
- 1.2.** The purpose of this statement is to set out the Council’s approach to housing supply through the Proposed Submission Local Plan.
- **Section 2** outlines the National and Regional Policy Context for Havering
 - **Section 3** discusses previous housing delivery in Havering
 - **Section 4** discusses the objectively assessed need for new housing in Havering
 - **Section 5** outlines the proposed housing targets for Havering
 - **Section 6** sets out the various sources of housing supply and the criteria and evidence for including sites in the housing trajectory
 - **Section 7** identifies Havering’s position regarding its 5, 10 and 15 year supply of housing
 - **Section 8** sets out Havering’s Housing Implementation Strategy
- 1.3.** Attached to this strategy are an updated Housing Trajectory and a number of other appendices which support the Trajectory.
- 1.4.** The statement serves to update the Housing Position Statement 2018 (LBHLP.15) and the subsequent Housing Position Statement 2019: Technical Update in January 2019. In particular, this statement addresses the housing matters raised by the Inspector in her note on the Spatial Strategy and Housing (26 October 2018). Table 1.1 below outlines each of the housing matters raised by the Inspector and identifies where in the revised Housing Position Statement they are addressed.

Table 1.1

Matter Raised	Relevant Section of the Revised HPS
Demonstrate sufficient housing land supply to cover the 15 year plan period	Paragraphs 7.9-7.10
Demonstrate sufficient sites to provide a 5 year supply with an addition buffer of	Paragraphs 7.1-7.8

20% (with the buffer applied to the shortfall)	
An updated table including completions for 2016/17 and 17/18	2016/17 and 2017/18 completions are identified in the updated housing trajectory (Annex 1) and are discussed in Section 3
In the site by site breakdown the most up to date figures should be used. The Council should be able to justify its expectations in relation to delivery of the sites.	The updated Housing Trajectory (Annex 1) includes the most up to date figures and justifications for suitability, availability and achievability as well as overall conclusions on whether a site is deliverable or developable. The comprehensive, up to date site compendiums (Annexes 2-5) include this information, together with supporting evidence.
Details of assumptions in relation to build-out rates and lead-in times should be provided; evidence of developer interest should be provided where possible; for sites granted planning permission, are further approvals / discharge of conditions required? Are there infrastructure requirements/ s106 agreements and what is the timing of these if so?	Paragraphs 6.35 – 6.53 outline how the Council has made a site by site assessment as to deliverability. This includes research into build-out rates and lead in times, and consideration of a range of factors that affect deliverability. The site by site assessments are contained in (Annexes 2-5) as well as in the updated Housing Trajectory (Annex 1). These provide site specific information on what has been taken into account.
Should a discount rate be applied to the sites with planning permission and pre-application sites? If not, what is the evidence that all these sites are likely to come forward?	Paragraphs 6.60-6.68
<p>The concerns highlighted by representors regarding the following sites should be considered.</p> <ul style="list-style-type: none"> • Angel Way, Romford retail park (former Decathlon site). • St George's Hospital other sites - evidence site will go ahead and phasing. Time table for delivery intention of landowner (Bellway) confirm • Quarles Campus, Harold Hill – evidence site will proceed and phasing 	The concerns highlighted by representors have been addressed by revised approach that has been taken through the updated trajectory as outlined in this document. Specific details on each of the sites identified provided in Annexes 1-5.

<ul style="list-style-type: none"> • Beam Park, Rainham confirmation from Countryside intending to take forward including phasing details • Bridge Close, Romford update timeframe update • Rom Valley Way – confirm phasing and if any infrastructure issues • Depot Rainham • North Street site • Gasworks site - contamination • Matalan site- still trading. 	
<p>Consistency with GLA figures should be checked and any discrepancies explained.</p>	<p>As explained in Section 3, data from previous completions has now been taken directly from the London Development Database, which is considered to be more reliable.</p>
<p>The figures for small sites and vacant units should be justified by evidence. Do these constitute windfalls? What evidence is there that these will continue to come forward at the rate envisaged?</p>	<p>Paragraphs 6.27-6.28</p>
<p>Clarification of the figures in Policy 1 is also requested, having regard to the updated trajectory.</p>	<p>Policy 1 currently states that the Council will deliver over 5,300 new high quality homes in the Romford Strategic Development Area over the plan period and at least 4750 over the first 10 years of the plan period.</p> <p>The updated trajectory anticipates 6269 new high quality homes over the plan period and 5,319 over the first 10 years.</p> <p>As these figures are constantly evolving, it is proposed that Policy 1 should state that at least 6,000 new high quality homes will be built over the plan period, with at least 5,000 in the first 10 years of the plan.</p> <p>Note: This has not yet been updated in</p>

	the proposed modification table as of April 2019.
The five year supply figures for the stepped approach should be provided, demonstrated how they been calculated.	Section 5
The breakdown of sites within the trajectory need to demonstrate that the significant spikes in delivery in 2 years, 20/21 and 22/23 are based on robust and realistic assumptions of regarding delivery.	Section 6 and Annexes 1-5
A housing implementation strategy should be provided indicating the sources of land supply, where it expected to be delivered and how it will meet the plan target (in the emerging Plan).	Section 8 – Housing Implementation Strategy Section 6- Sources of Supply Section 5 – Five, Ten and Fifteen Year Supply
The housing implementation strategy should set out the 5 year land supply situation, including the buffer and should justify the method of dealing with any shortfall in delivery since the beginning of the plan period. The Council should set this out in relation to the approach in the Plan and the possible stepped approach.	Section 5
Clarify which sites are in the Strategic Development Areas and the Twelve Estates programme (to address concerns about tables)	Annex 1 clearly sets out where each site is located
Modification Policy 3 Housing Supply to identify plan period and when review of Local Plan will take place (link to London Plan adoption)	Annex 12
Explain time frame for Site Specific Allocation document.	As the Council awaits the Inspector's report on the draft Local Plan, an approval date for the Site Specific Allocations document has not been set. However, the Council intends to progress work on preparation of the document, with a call for sites anticipated in winter 2018/19.
Include Mercury / Ellandi proposal in Housing Trajectory	Whilst Ellandi have put forward development plans and provided a statement of intent, it has been clarified that they are not the owners of the site that they wish to develop (The Mercury

	<p>Centre and associated car parks). Grainhome Ltd, who is the freeholder of the site, does not support Ellandi's development plans and are seeking to bring forward their own plans for the site.</p> <p>Notwithstanding the comments at the examination hearing, the position in the current housing trajectory is that this site is not included as the Council have not had a clear message from the owners that they wish to develop and that the land is available for them to do so. If this situation changes the Council may incorporate the site at a later date.</p>
Check Sandgate Close site in Housing Position Statement	Annex 2 – a site assessment as to deliverability is overview is provided. The application has now received planning approval and a s106 has been signed.
Modification Policy 4 - change 1st paragraph where it says more than 10 units to say 10 or more units as per wording in London Plan	Included in proposed Modifications list
Modification Policy 4 – Council to consider whether the policy should reflect the viability assessment which indicates that 50% affordable housing would be viable in certain circumstances and / or consider trade-off between affordable and other elements such as workspace	Paragraphs 5.30-5.37
Modification Policy 5 - needs to be clearer the flexibility of policy	Response contained in the Further response from London Borough of Havering to Inspector document
Modification Policy 5 - Does the word 'robustly' need to be included as modification? Should originally wording be kept and does it provide the flexibility required in this policy?	Response contained in the Further response from London Borough of Havering to Inspector document
Policy 6- Reference at 7.4.4 of Plan to a review of the need but this is not in the evidence base. The Inspector needs evidence relating to the need and supply. Where and when will the supply be provided in order to meet the identified need?	<p>Response contained in the Further response from London Borough of Havering to Inspector document</p> <p>Older Person Report 2015</p> <p>A summary is provided at Paragraphs</p>

Is there a need for specific site allocations to meet the need? (ensure this evidence is consistent with evidence being provided for Matter 3)	4.12-4.19
Policy 6- Reference data to London Plan and where there might be discrepancies with Local Plan figures	Response contained in the Further response from London Borough of Havering to Inspector document
Modification- Policy 6 –In relation to Criterion (i) need to be clear in policy how the Council will expect need to be identified	Included in proposed Modifications list
Modification Policy 6 - criteria (vii) Delete 'all possible' before 'future needs'.	Included in proposed Modifications list
Modification Policy 6 - criteria (viii) need to revise wording to include 'unacceptable' before 'adverse impact' and refer to unacceptable levels of noise rather than 'significantly greater levels'	Included in proposed Modifications list
Modification Policy 10 - add 'significant' after 'results in'	Included in proposed Modifications list
Council to consider if specific Regeneration Policy is required	Included in proposed Modifications list

1.5. This statement should be considered alongside the other key evidence base documents, including:

- The London Strategic Housing Market Assessment 2013
- The London Strategy Housing Land Availability Assessment 2013
- The London Strategic Housing Market Assessment 2017
- The London Strategy Housing Land Availability Assessment 2017
- The Outer North East London Strategic Housing Market Assessment 2016
- The Outer North East London Strategic Housing Market Assessment: Update for Havering 2016
- The Havering Green Belt Study 2016
- Site Green Belt Assessment and Sustainability Assessment 2018

2. Policy Context

National Planning Policy Framework

- 2.1.** The National Planning Policy Framework (NPPF) sets out the Government's Planning policies for England and how these are expected to be applied. The Havering Local Plan is required to be consistent with the NPPF 2012. It was agreed at the Local Plan Examination that the Havering Local Plan would be considered against the NPPF 2012.
- 2.2.** The NPPF 2012 states that to boost significantly the supply of housing, 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 in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period (paragraph 14 of the NPPF 2012);
 - identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land (paragraph 47 of the NPPF 2012);
 - identify a supply of developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 (paragraph 47 of the NPPF 2012);
 - for market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period (paragraph 47 of the NPPF 2012); and
 - set out a housing implementation strategy for the full range of housing describing how they will maintain a delivery of a five- year supply of housing land to meet their housing target (paragraph 47 of the NPPF 2012).
- 2.3.** When preparing Local Plans the NPPF states that local planning authorities (LPAs) should have a clear understanding of housing needs in their areas. They should:

- Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Assessment should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period.
- Prepare a Strategic Housing land Availability Assessment to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period.

MHCLG Consultation: Planning for the right homes in the right places and the NPPF 2018

- 2.4.** In September 2017 the government published its consultation on ‘Planning for the right homes in the right places’. This consultation was part of the government’s initiative to increase the supply of new houses. A key proposal within the consultation document is the introduction of a standard methodology to determine housing needs. It also includes an indicative assessment of housing need (using the proposed methodology) for every authority over the period 2016 to 2026. For Havering this is 1,821 dwellings per annum.
- 2.5.** The provisions in the “Planning for the right homes in the right places” government paper, which were in draft when the Local Plan was at submission state, have now been incorporated into the new NPPF (2018) which was published in July 2018. The new NPPF (2018) makes it clear at paragraph 214 Annex 1: Implementation that policies in the previous framework will apply for the purpose of examining plans where those plans are submitted on or before 24 January 2019. The Havering Local Plan is therefore being assessed against the previous 2012 Framework and the standard methodology has not been used for this Plan.
- 2.6.** The NPPF (2018) also includes a new Housing Delivery test to measure each local authority’s performance in delivering new houses. The Test would result in a figure expressed as a percentage of the total net homes delivered against the total number of homes required over the previous three years. If the Housing Delivery Test shows that there has been significant under delivery of housing over the previous three years (in this context meaning less than 85%), the local authority must include a 20% buffer in its supply of specific deliverable sites in order to achieve the required five years supply.
- 2.7.** The Housing Delivery Test will apply from the day following the publication of the Housing Delivery Test results in November 2018.

The London Plan 2016 (Consolidated with Alterations since 2011)

- 2.8.** Havering forms part of a unique two tier planning system in London where the development plan for an area is composed of the borough's Local Plan and the London Plan. The Local Plan must be in 'general conformity' with the London Plan.
- 2.9.** The Mayor of London is responsible for preparing the London Plan. The current London Plan was originally published in 2011. In 2013 the Mayor undertook a London-wide Strategic Housing Land Availability Assessment (SHLAA) and Strategic Housing Market Assessment (SHMA) as key evidence base documents to inform the Further Alterations to the London Plan published in 2015.
- 2.10.** The London SHMA 2013 sets out an estimate of London's current and future housing requirements. The central projection in the SHMA indicates that London will require between 49,000 (2015-2036) and 62,000 (2015-2026) more homes a year. This range incorporates different levels of population change over the period, the time taken to address current need (backlog) and the anticipated under delivery between 2013 and 2015. The 2015-2036 figure of 49,000 additional homes a year provides the basis for the detailed housing need figures set out in the London Plan.
- 2.11.** The London SHLAA 2013 assesses London's capacity for new residential development. It shows that over the period 2015 to 2025, London has capacity for at least 420,000 additional homes or 42,000 per annum. The SHLAA formed the basis of the revised housing targets for each borough set out in the London Plan.
- 2.12.** Havering's Housing target, as set out in the current London Plan, is a minimum of 11,701 over the period 2015-2025, which equates to a minimum annual average housing target of 1,170. This target took effect from the 2015/16 reporting year. Policy 3.3D of the London Plan states that if a target beyond 2025 is required, boroughs should roll forward and seek to exceed that target.
- 2.13.** The proposed Havering Local Plan's target of 11,701 over the first 10 years of the Plan Period 2016-2026 is drawn from its London Plan target, rolling forward the annualised target of 1,170. The Council is proposing to meet its 10 year target through the use of a stepped trajectory, as outlined in section 5.

Draft London Plan 2017

- 2.14.** The new Mayor of London is in the process of preparing a new London Plan and published a draft plan for consultation in December 2017. As part of the evidence base for the emerging Plan, the GLA have prepared an updated London Strategic

Housing Market Assessment 2017 and London Strategic Housing Land Viability Assessment 2017. The Examination in Public for the draft London Plan (2017) will commence in January 2019.

- 2.15.** The London SHMA 2017 has identified a need for 66,000 additional homes per year between 2016-2041. The London SHLAA 2017 has identified capacity for 65,000 new homes per year between 2019/20 to 2028/29. The SHLAA 2017 is the basis of the revised housing targets set out in the draft London Plan. Havering's target is 18,750 homes between 2019/20 and 2028/29 or 1,875 homes per annum. Of the 1,875 new homes, 904 of these are expected to be delivered on small sites under 0.25ha.
- 2.16.** The Draft London Plan 2017 is currently undergoing an Examination in Public and is not yet adopted. The proposed Havering Local Plan should therefore be assessed against the adopted London Plan 2016.

Nb. LB Havering have objected to the London Plan housing targets – please refer to the Council's consultation response to the Draft London Plan for further information (attached as Annex 9). It has been involved in the London Plan Examination in Public with regard to Policy H2 (Small Sites).

3. Havering's past delivery

Overall Housing Numbers

- 3.1.** A review of Havering's past housing completions is set out below in Table 3.1. The data is drawn from the London Development Database (LDD) which has been running since 2004.
- 3.2.** Some of the figures listed in table 3.1 differ from those in table 3.1 of the Housing Position Statement 2018 (LBHLP.15). Part of the reason for this is that the Housing Position Statement 2018 relied on data from the Havering Authority Monitoring Reports. These reports are based on completions for the previous financial year which have been recorded as of 31 August. Completions within the previous financial year that are not reported by that date are not included and are not able to be included within the subsequent year's figures. Using the LDD database, which is continually updated, provides a more reliable dataset.

Table 3.1: Net housing completions financial years 2004 – 2017

	Target	Net Housing Completions	Housing target variance
2004 FY	350	551	+201
2005 FY	350	371	+21
2006 FY	535	847	+312
2007 FY	535	495	-40
2008 FY	535	637	+102
2009 FY	535	457	-87
2010 FY	535	234	-301
2011 FY	970	445	-525
2012 FY	970	289	-681
2013 FY	970	947	-23
2014 FY	970	741	-229
2015 FY	1170	1391	+221
2016 FY	1170	607	-563
2017 FY	1170	277	-893

- 3.3.** The NPPF introduces a buffer requirement for the 5 year supply of housing land of 5% or 20% depending on past performance. The NPPF states that a 20% buffer will be applied where there is a persistent record of under delivery.
- 3.4.** There is no definitive guidance on what constitutes ‘persistent’ under delivery. However, the NPPF is clear that a longer term view of housing delivery should be used to assess an authority’s record as this will account for the peaks and troughs of the housing market cycle. Lewis J in the Cotswold judgement (EWHC 3719 27 November 2013) said that persistent under deliver “should not be a temporary or short lived fluctuation”.
- 3.5.** Table 3.1 shows that over the period 2004/05 to 2016/17 Havering has met or exceeding its target in 5 years, and under delivered in 8 years. Havering’s delivery record is characterised by a mixture of over and under delivery connected to the peaks and troughs of the housing market cycle. Many of the years in which Havering under delivered were in the aftermath of the 2008 financial crisis or in the recession which followed. Since this period, the number of dwellings completed has increased and moved in a positive direction.
- 3.6.** It should also be noted that Havering has significantly increased its level of housing delivery since 2013/14. This marks a step change from the level of housing delivery in the decade before this and demonstrates that Havering is making serious efforts to

boost its housing delivery. Nevertheless, average annual completions remain below current annual London Plan target of 1,170. The only year this target has been exceeded is in 2015/16 where completions were 1391. This year saw a large number of unit completions from major schemes (10 or more units). The bulk of these completions came from a few large developments; Old Church Hospital (394 unit completions), Former Harold Wood Hospital (162 unit completions), Former Whitworth Centre (55 unit completions), Mardyke Estate (308 unit completions) and the Site at Roneo Corner (93 unit completions).

- 3.7.** It is recognised that previous delivery has not been at the level required and there has been persistent under-delivery. In light of this the 5 year housing land supply calculations set out in Section 7 of this statement have been based on a 20% buffer.

Affordable Housing

- 3.8.** A review of Havering's affordable housing completions as a percentage of total completions is set out below in Table 3.2 (the unit numbers are set out in Annex 8). The data is drawn from the London Development Database (LDD).

Table 3.2: Net market and affordable housing completion percentages: financial years 2004 – 2017

	Market	Intermediate	Social Rented	Affordable Rent	Not known	Total Affordable Housing
2004 FY	91%	0%	11%	0%	-2%	9%
2005 FY	85%	17%	2%	0%	-4%	15%
2006 FY	79%	6%	15%	0%	0%	21%
2007 FY	74%	5%	20%	0%	0%	26%
2008 FY	53%	30%	17%	0%	0%	47%
2009 FY	56%	37%	7%	0%	0%	44%
2010 FY	60%	6%	34%	0%	0%	40%
2011 FY	47%	5%	48%	0%	0%	53%
2012 FY	56%	11%	33%	0%	0%	44%
2013 FY	69%	8%	16%	7%	0%	31%
2014 FY	47%	3%	3%	48%	0%	53%
2015 FY	81%	7%	3%	10%	0%	19%
2016 FY	91%	8%	0%	0%	0%	9%
2017 FY	97%	5%	-3%	0%	0%	3%

- 3.9.** Affordable housing completions as a percentage of total completions have varied over the years. A key reason for this is the contribution of affordable housing from

development of major sites where affordable housing was sought and where large amounts of units were developed and acquired by housing associations. Overall, it is clear that there has been improvement in delivery levels from 2008 onwards. However, 2016 and 2017 saw a decrease in the percentage of affordable housing completions.

3.10. Looking at the entire period from 2004 - 2016, 29% of net units completed have been affordable. 2017 saw a small percentage of affordable housing completions. Part of the reason for this is that a high proportion of completions came from small sites or prior approvals for which an affordable housing contribution is not required¹.

4. Havering's Housing Need

Housing Need and the NPPF

4.1. Paragraph 159 of the NPPF 2012 states that local planning authorities should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries.

4.2. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:

- Meets household and population projections, taking account of migration and demographic change;
- Addresses the need for all types of housing, including affordable housing and the needs of different groups in the community; and
- Cater for housing demand and the scale of housing supply necessary to meet this demand

Housing Need and the London Plan 2016

4.3. The London Plan (at paragraph 3.15) and the Mayor's Housing Supplementary Planning Guidance 2016 (Housing SPG) (at paragraph 1.1.8) both note that for planning purposes, London is to be considered as a single housing market area.

4.4. The 2013 London SHMA identified housing need within the London market area and was prepared to inform the London Plan (2016). It estimated the total annualised

¹ For the 5 year period 2013-2017, 32% of net units completed were affordable.

housing need for London between 2015/16 and 2034/35 as being 48,841 new homes a year (paragraph 0.19 London SHMA 2013 (LBHLP.16)).

- 4.5. Reflecting the two tier nature of the planning system in London, there is a tiered approach to understanding housing needs. The strategic London wide study (the London SHMA 2013) is supplemented by more detailed sub-regional and local studies (paragraph 3.1.8 Housing SPG), addressing the requirements of the NPPF and those of Policy 3.8 of the London Plan.
- 4.6. Havering forms part of both the London-wide housing market area and the outer north east London sub housing market area with the London Boroughs of Barking and Dagenham and Redbridge. To meet the requirements of the NPPF and the directives from the London Plan, the Council has worked with these authorities to prepare a Strategic Housing Market Assessment (SHMA) (LBHLP.14) which forms part of the Local Plan evidence base.

Havering's Housing Need: The Outer North East London SHMA 2016

Overall housing need

- 4.7. The Outer North East London SHMA 2016 (LBHLP.14) indicated that Havering's full objectively assessed housing need was for 25,200 new homes over the period 2011-2033 or 1,145 homes per annum. Since the initial SHMA was undertaken, updated population projections have been published by the GLA. The updated population projections were reflected in an update of the SHMA 2016 (LBHLP.14.1) which identifies an increased housing need in Havering of 30,052 new homes over the period 2011-2033 (1,366 new homes per year) (LBHLP.14.1 at figure 7). Havering's overall housing targets are discussed at the start of Section 5.

Affordable housing need

- 4.8. The SHMA 2016: Update for Havering (LBHLP.14.1) also identifies a total affordable housing need as being 10,520 new homes from 2011-33, which equates to 35% of total housing need. The breakdown by size and tenure mix is detailed in Table 4.1 below has been drawn from Figure 8 of the SHMA 2016: Update for Havering.

Table 4.1: Havering's Objectively Assessed Housing Need (Outer North East London SHMA- Update for Havering 2016)

	Number	Percentage (%)
Market Housing		
1 Bedroom	1,590	8%
2 Bedrooms	3,030	15.5%

3 Bedrooms	12,490	64%
4 Bedrooms	2,260	11.5%
5+ Bedrooms	160	1%
Total Market Housing	19,530	100%
Affordable Housing		
1 Bedroom	640	6%
2 Bedrooms	2,840	27%
3 Bedrooms	5,400	51%
4 Bedrooms	1,610	15.5%
5+ Bedrooms	20	Less than .5%
Total Affordable Housing	10,520	100%
Total	30,050	

4.9. With regard to affordable housing mix, the results of the SHMA 2016 indicate that the vast majority of households who require affordable housing can only afford social housing if they receive housing benefit, while others could afford social housing without benefit, but would require housing benefit support to afford housing at Affordable Rent levels. Together these groups comprise 80% of the affordable housing need (affordable or social rent).

4.10. The remaining 20% constitute those households who require affordable housing and have sufficient income to afford to meet the costs of Affordable Rents. They can be considered as intermediate housing need.

4.11. Havering's affordable housing targets are discussed at paragraphs 5.30- 5.45.

Specialist older persons housing

4.12. Havering has a large and growing population of older people. It has the largest percentage of older people in all the London boroughs. There is a need to ensure that there is an appropriate provision of specialist accommodation across the borough to meet this need.

4.13. Paragraph 50 of the NPPF 2012 states that Local Planning Authorities should *“plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to... older people...)”*.

4.14. Policy 3.8B of the London Plan states that boroughs *“should work with the Mayor and local communities to identify the range of needs likely to arise within their areas and ensure that:...e) account is taken of the changing age structure of London's population and, in particular, the varied needs of older Londoner, including for supported and affordable provision.”*

- 4.15.** Paragraph 3.50C states that boroughs should demonstrate that they have *“identified and addressed the local expression of these strategic needs including through targets and performance indicators. These should be informed by the indicative requirement benchmarks set out in Annex A5: Specialist housing for older people... Boroughs should work proactively with providers of specialist accommodation for older people to identify and bring forward appropriate sites, taking particular account of potential capacity anticipated from housing led, high density, mixed use redevelopment of town centres.”* Annex A5 notes an indicative annualised requirement for 185 units in Havering, of which 135 should be for owner occupiers and 50 for intermediate (shared ownership). No need for affordable rent is identified.
- 4.16.** In 2015, the Council produced a report detailing the need and current supply of specialist older person housing and the Council’s owned sheltered and extra care provision (Annex 10). The report identified an overall need for additional specialist accommodation. The level of need varied with regard to tenure, with an oversupply of affordable sheltered housing and a deficit for all tenures in the higher need housing (enhanced and extra care.) The biggest demand was for private owned leased accommodation. This is a reflection of the high levels of existing homeownership amongst older people in Havering. There was annual need for 256 owner occupied/ intermediate homes.
- 4.17.** In 2018, the 2015 report on specialist older person housing was reviewed in light of more recent population information (Annex 11). This review of the report came to similar conclusions, identifying an annual need for 255 owner occupier/ intermediate homes.
- 4.18.** The Council is taking a proactive approach to planning for and meeting specialist older person housing needs. The Council is looking to provide a significant amount of specialist older persons housing through its 12 Estates Regeneration Programme. The programme has been developed to ensure that there is sufficient affordable sheltered, enhanced/ extra care accommodation to meet the projected needs of older residents it has the responsibility for (refer to Annex 11 for more details on the anticipated tenure of units to be provided).
- 4.19.** While this programme will help to reduce the deficit for people who want to either purchase or lease properties, additional input will be needed from the private sector. Policy 6 of the Local Plan clearly identifies the types of sites and developments which are appropriate to meet the specialist needs of local people. The Spatial Strategy’s approach to emphasise housing delivery in the Strategic Development Areas, supported by the required infrastructure, will help to ensure a wide range appropriate sites are available in accessible locations, close to essential services. In addition, the Site Specific Allocations Local Plan Document will look to identify where sites are appropriate for specialist older persons housing.

5. Havering's Housing Targets

Overall Housing Target

- 5.1.** As outlined in Section 2. Havering's 10 year target (2016-2026) is drawn from the London Plan 10 year target of 11,701. The Council has proposed to achieve this target and seek to exceed it in order to close the gap between identified housing need and supply. The Council proposes to achieve this target through the use of a 'stepped trajectory'.
- 5.2.** In practice a stepped trajectory has been used by Local Authorities where housing delivery is reliant on development of large strategic sites/ areas which have long lead in times and/or when it appears unlikely that an annualised average target will be able to be met in the initial plan period.
- 5.3.** The Local Plan is being assessed against the 2012 NPPF, where its guidance material, which does not discuss a "stepped trajectory". The 2018 NPPF now formalises the use of a stepped trajectory, stating at paragraph 033 of its guidance for Housing and Economic Land Availability Assessment that:

*A stepped requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies **and/or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period.** Strategic policy-makers will need to set out evidence to support using stepped requirement figures, and not seek to unnecessarily delay meeting identified development needs. In reviewing and revising policies, strategic policy-makers should ensure there is not continued delay in meeting identified development needs.*

- 5.4.** The Inspector's Note – Spatial Strategy and Housing (26 October 2018) has requested that an updated housing trajectory be provided with more evidence to justify both housing numbers and anticipated delivery. As a result of updating this trajectory, the Council has deemed it necessary to revise the stepped approach outlined in the memo entitled 'Applying a Stepped Approach to Housing Targets' (26 September 2016), which was provided to the Inspector at the Examination Hearing on Matter 3.
- 5.5.** Table 5.1 below sets out how housing delivery targets will be stepped so as to align with the 10 year housing target of the London Plan (rolling forward the target into 2025/26), and meet the 15 year target for the plan period (17,551). A stepped trajectory better reflects the most likely delivery scenario based on the identified supply of deliverable and developable sites, allowing for infrastructure, employment and services to be planned so as to match expected resident population growth. It is

acknowledged that this will result in targets for the first five years that are below both the OAN and the London Plan annualised target. However, the higher targets for years 6-10 will ensure that Havering's 10 year target is able to be met. Justifications for the proposed targets are set out below.

Table 5.1:

Plan period	Year	Target
Years 1-5	2016/17-2020/21	700 units per annum
Years 6-9	2021/22-2024/25	1640 units per annum
Year 10	2025/26	1641 units per annum
Years 11-15	2025/27- 2030/31	1170 units per annum

5.6. For the first five years of the plan period the trajectory target is below the annualised target of 1170 units per annum. A 700 units per annum target is considered to be appropriate for the following reasons:

- It aligns with the average annual net completions for the last 7 years (2012-2017) which is 715 units.
- It aligns with anticipated completions in the remaining 3 years of the first five year plan period.
- Most of Havering's housing supply is anticipated to come through the development of major strategic sites within the Strategic Development Areas and through its 12 Estates Regeneration Programme. Many of these developments have long 'lead in' times as a result of a need for land assembly, engagement with residents, decanting of existing residents, and phased construction. The vast majority of housing completions are expected to occur in years 6 -15 of the plan period. Only four developments with over 100 net units are expected to have completions between 2018 and 2020.
 - The former Harold Wood Hospital site, which is currently under construction and anticipated to be completed by the end of the 2019 financial year.
 - The Beam Park, St Georges Hospital and Dovers Corner sites, for which substantial completions are only anticipated to begin in the last two years of the five year period (2019 and 2020).
- Net housing numbers for the remaining three years of the first five year period are likely to be adversely affected by a large number of demolitions. These are required to enable the redevelopment of major sites which will make a substantial contribution to housing completions later in the plan period. Overall 291 demolitions are expected to occur within the 2018-2020 period as part of

the 12 Estates and Bridge Close redevelopments. These redevelopments are not anticipated to see completions occur until the year 6 of the plan period.

- Although the anticipated adoption of the Havering Local Plan in 2019 will have an impact on applications and approvals, most of the resulting completions are unlikely to occur until 2021 given average build out rates.
- Having higher targets, which are not likely to be achievable, could lead to the approval of schemes which compromise the overarching aims of the Local Plan, the Council's place-making objectives and the need to secure sustainable development as required in the NPPF. Risking the long term harm of unsustainable development is not considered to be justified given the shortfall in addressing housing need will be only for a short period before higher targets and anticipated supply in the following five years (2021/22- 2025/26) are able to make up for the shortfall.

5.7. For the second five years of the plan period the trajectory target is above the annualised target of 1170 units per annum. A 1640/1641 units per annum target is considered to be appropriate for the following reasons:

- This is the period in which most of the completions from the 12 Estates Regeneration Programme and other large developments within the Strategic Development Areas are anticipated to occur.
- The higher target enables the 10 year London Plan target to be met over the first 10 years of the plan period.

5.8. For the final five years of the plan period, the trajectory target is 1170 units per annum. This is considered to be appropriate because:

- Many of the identified deliverable and developable major brownfield sites will have been developed out.
- The market will have had time to adjust to a higher sustained level of delivery than has been experienced so far, supported by the policies of the adopted Local Plan and the policies that emerge from its early review.

5.9. Table 5.2 below depicts how a stepped approach will look when compared with anticipated supply. Anticipated supply is discussed further in Section 6. The spikes in the 2021 and 2022 financial years are the result of anticipated completions from major sites in the SDAs and from sites within the 12 Estates Regeneration Programme.

Table 5.2: Anticipated housing completions compared with target completions



Havering Size Mix

5.10. The SHMA determined the housing mix in terms of size for affordable housing to be around 50% for 3 bedroom properties and 10% for 4 bedrooms or more for the period 2011-13. This is supported as the baseline position.

5.11. The assessment for the larger dwelling mix in the SHMA is based on the following four key assumptions:

- A. The continued under-occupation of larger properties by smaller households.
- B. Current over-crowding in the 2 bedroom social housing stock.
- C. Growth in family households
- D. Other household types.

5.12. This category covers both single persons living together and also categories such as 3 generations of a family living together.

5.13. Each of these assumptions and further supporting evidence is explored in further detail below.

The continued under-occupation of larger properties by smaller households

5.14. Many households in Havering would have previously been allocated family housing when they had dependent children and were in need of a larger property. The

Council's strategy is to reduce the backlog of under-occupation. As the Council cannot force people to move from their homes, one of the ways of achieving this is to ensure that there are sufficient or smaller high quality properties that meet the needs of these changing households.

5.15. It is therefore important that the Council still support an element of smaller properties as set out in section 4.5 of the Housing Strategy 2014-17 (Annex 13).

5.16. The housing need and demand data shown in Table 6.1 is derived from those residents who are on the Council's housing register wishing to move into smaller alternative affordable housing. It shows that the majority of the need is for 1 bedroom and 2 bedroom properties at 56% and 41% respectively.

5.17. It should be stressed that these figures represent current needs for households who have identified that they wish to downsize. In practise there are many more under-occupying households in the social rented sector in Havering with the 2011 Census indicating that there were a total of 4,300 who had more bedrooms than were technically required under the bedroom standard assessment. Any increase in the rate of downsizing will free larger properties.

Table 6.1. Havering's under-occupying households on the housing register²

Current Bedroom size	Bedroom size required			
	1 bedroom	2 bedroom	3 bedrooms	Total
2 bedroom	91	0	0	91
3 bedrooms	19	77	0	96
4 bedrooms	0	3	5	8
Total	110 (56%)	80 (41%)	5	195

Current over-crowding in the 2 bedroom social housing stock

5.18. Households that are over-crowded in a 2 bedroom property will benefit from the provision of 3 bedroom properties as it will allow them to move to a more suitably sized dwelling. This will also free up the 2 bedroom property to meet the needs of another household. The housing need and demand data shown in Table 6.2 is derived from those residents who are on the Council's housing register who are overcrowded and seeking to move into larger alternative affordable social housing. It is in line with

² As at 31 January 2017

the SHMA assumption that households are overcrowded in 2 bedroom properties and therefore require 3 bedroom properties (47%).

5.19. The majority of these are in smaller 2 bed 3 person accommodation whose needs can be met in larger 2 bed 4 person properties. In addition, the data show that there are a considerable number of households who are overcrowded in 1 bedroom properties and therefore require 2 bedroom properties too (46%). Again we would note that these figures only consider households who are currently seeking to move. The 2011 Census indicated that there are a total of 1,300 households in the social rented sector in Havering who were overcrowded when assessed against the bedroom standard, whereas the SHMA assumed that all overcrowded household require moving, not just those on the transfer list.

Table 6.2: Havering's overcrowded household on the housing register³

Current Bedroom size	Bedroom size required					Total
	1 bedroom	2 bedroom	3 bedrooms	4 bedrooms	5 bedrooms	
1 bedroom	0	264	2	0	0	266
2 bedroom	0	0	269	3	1	273
3 bedrooms	0	0	0	33	1	34
4 bedrooms	0	0	0	0	2	2
Total	0	264 (46%)	271 (47%)	36 (6%)	4	575

Current over-crowding in the 2 bedroom social housing stock

5.20. The strongest growth in the Havering household projections is for lone parent and couple households with children. While many of these households will initially require a 2 bedroom property, the size of some of the households will grow, requiring 3 or more bedroom properties.

5.21. Table 6.3 shows the breakdown of the housing need by size mix based on Havering housing register, which the assumption that many of the households initially require a 2 bedroom property (43%). It is also accepted that over time as they grow, they will require larger accommodation. Some of this need can be met in a larger 2 bedroom 4 person property.

³ As at 31 January 2017

Table 6.3. Havering's housing register need⁴

Bedroom size	Number	Percentage (%)
1 bedroom	601	27%
2 bedrooms	937	43%
3 bedrooms	562	26%
4 bedrooms	72	3%
5 bedrooms	7	1%
Total	2179	

5.22. Table 6.4 also shows the breakdown of the housing need by size mix based on Havering households currently accommodated in temporary accommodation who are waiting to move into settled affordable accommodation. The current main need is for 44% of 2 bedroom properties.

Table 6.4 Havering households in temporary accommodation

Bedroom size	Number	Percentage (%)
1 bedroom	301	28%
2 bedrooms	468	44%
3 bedrooms	254	24%
4 bedrooms	36	3%
5 bedrooms	5	
Total	1064	

5.23. Therefore, with the current demand data suggesting a high need for 2 bedroom properties, it is important that the Council are also able to accommodate these families in the immediate period of the Local Plan leading up to 2033.

Other household types

5.24. This category covers both single persons living together and also categories such as 3 generations of a family living together. This category of household type has been rising recently and will include some who are considered to be in affordable housing need in the grounds of affordability in the SHMA figures. While sharing single persons under 35 years will not typically be considered for social housing allocations, many will still require affordable housing.

⁴ As at 31 January 2017

5.25. Their need is more likely to be met through the provision of good quality and well managed houses in multiple occupations (HMOs). In addition, the maximum housing benefit they can get is the rate for renting a single room in a shared house, likely to be in a HMO instead of a 3 bed house let to sharers.

Proposed approach to size mix

5.26. The Council is committed to providing a range a mix of affordable properties that provide a range of options for our residents and which meet their needs.

5.27. The key findings of the SHMA in relation to size mix show that over the Plan period there is a significant need for 3 bedroom properties. However, this can vary over the short and medium term and the current housing need and demand evidence indicates a comparatively significant need for 2 bedroom properties.

5.28. The evidence from both the SHMA and the Council's current housing register is showing that the Council's priority through the Local Plan should be for 2 and 3 bed properties, with 1 bed properties less of a priority. To create mixed and balanced communities, the Council considers it necessary to support a mix of affordable housing sizes.

5.29. The starting point for negotiations on individual sites will be:

Table 6.5 Approach to size mix

	1 bed	2 bed	3 bed	4bed plus
Intermediate	10%	40% - but with preference for higher % of 2 bed 4 person	40%	10%
	1 bed	2 bed	3 bed	4bed plus
Social/ Affordable	10%	40% but with preference for higher % of 2 bed 4 person	40%	10%

Havering's Affordable Housing Targets

5.30. Policy 3.11A of the London Plan states that the mayor, boroughs and other relevant agencies and partners should seek to ensure an average of at least 17,000 more affordable homes per year in London over the term of the Plan. Policy 3.11B states that boroughs should set an overall target of affordable housing provision in their areas and separate targets for social/ affordable rented and intermediate housing.

5.31. In doing so, boroughs should take account of (Policy 3.11C):

- a. *current and future housing requirements identified in line with Policies 3.8, 3.10 and 3.11*
- b. *the strategic targets and priority accorded to affordable family housing set out in section A above*
- c. *the approach to coordinating provision and targets to meet the range of strategic, sub-regional and local affordable housing needs in London set out in Policy 3.8, paragraphs 3.65 - 3.67 and Supplementary Planning Guidance and the Mayor's London Housing Strategy*
- d. *the need to promote mixed and balanced communities (see Policy 3.9)*
- e. *capacity to accommodate development including potential sources of supply outlined in para 3.67*
- f. *the viability of future development, taking into account future resources as far as possible.*

5.32. Havering has proposed a target of at least 35% affordable housing. This figure is based on the SHMA 2016: Update for Havering (LBHLP.14.1) which identifies Havering's affordable housing need as 35% of total housing need. A 35% target is also in line with the Mayor's Affordable Housing and Viability Supplementary Planning Guidance 2017, which sets out the Mayor's preferred approach to implementing affordable housing targets. The SPG states that:

"applications (for 10 units or more) that meet or exceed 35% affordable housing provision without public subsidy, provide affordable housing on-site, meet the specified tenure mix, and meet other planning requirements and obligations to the satisfaction of the LPA and the Mayor where relevant, are not required to submit viability information" (paragraph 9).

5.33. The viability of a 35% target has been tested in the Viability Assessment 2017 (LBHLP.24) which concludes that this target and Council's flexible approach to affordable housing delivery (i.e. subject to individual site circumstances and scheme viability) will ensure that most development can come forward over the economic cycle.

5.34. The Viability Assessment found that the higher density typologies were only viable in the higher value parts of the borough and would only support affordable housing at a rate of between 25% and 35%.

5.35. Although the assessment notes that lower density typologies are viable with affordable housing provided at 50%, these sites compromise a small proportion of the anticipated housing delivery, with the majority of development to occur within the Strategic Development Areas and through the 12 Estates Regeneration Programme.

5.36. The Council considers that a 35% target will be appropriate, effective and achievable. At the examination hearing on housing matters, the inspector queried whether a

higher target, such as 50%, might be appropriate. It is considered that a higher target, for example, 50%, is likely to result in adverse outcomes for the following reasons:

- Developers that are able to meet the 35% target are incentivised to meet it to avoid the time and cost of undertaking a viability assessment and negotiating with the Council and, in referable schemes, with the GLA. With a 50% target, this incentive is removed. Developers are very unlikely to voluntarily offer 50% affordable housing and will instead attempt to secure lower affordable housing numbers through the viability assessment process.
- Most developments at the lower density typologies in Havering seek to achieve unit numbers of around 10 units or below. The application of a 50% target, even if viable, to these typologies is more likely to encourage developers to lower their proposed densities so as to deliver less than 10 units, thereby avoiding the time and cost of affordable housing requirements. This would result in a loss of both affordable housing units and overall net housing units.

5.37. While in practice not all sites will be able to achieve a 35% target, many of the anticipated developments in the borough are seeking to provide for affordable housing in excess of this target. The Council, in particular, is very proactive in this area, with its 12 Estates Regeneration Programme anticipated to deliver over 1600 affordable units through affordable housing provision of greater than 35% on its sites. In addition, the GLA will be seeking a target of 50% affordable housing for schemes on public land⁵.

Affordable Housing Tenure Split

5.38. Policy 3.11A of the London Plan states that 60% of the affordable housing provision should be for social and affordable rent and 40% for intermediate rent or sale. Local affordable housing targets are required to be in general conformity with the London Plan's strategic targets. The London Plan recognises that borough may wish to express their targets differently in light of local circumstances. (paragraph 3.69 of the London Plan).

5.39. The Mayor's Affordable Housing and Viability Supplementary Planning Guidance 2017, clarifies that this provides flexibility for LPA's to set separate targets for social/affordable rent and intermediate housing in their Local Plans (at paragraph 2.29). The preferred tenure split is:

- At least 30% social rent or affordable rent
- At least 30% as intermediate products
- The remaining 40% determined by the LPA taking account of Local Plan policy.

⁵ Threshold Approach to Affordable Housing on Public Land - GLA:

https://www.london.gov.uk/sites/default/files/practice_note_on_threshold_approach_to_affordable_housing_on_public_land_july_2018.pdf

5.40. As discussed at paragraphs 4.9 and 4.10, the SHMA 2016: Update for Havering (LBHLP.14.1) identifies social or affordable housing rent need to be 80% and intermediate rent to be 20%.

5.41. To ensure better conformity with the London Plan and its SPG, these targets have been moderated so that the Council will seek to achieve 70% social rent or affordable rent and 30% intermediate products.

6. Havering's Sources of Supply

6.1. This section provides details of the various sources of Housing supply in Havering, and how they have been identified, as well as the actions that Council is taking to ensure an increased in housing delivery.

6.2. Havering's Spatial Strategy is outlined in Chapter 5 of the proposed Local Plan. The Strategy seeks to ensure that there is the necessary growth in homes, jobs and critical infrastructure to support and sustain new and existing communities while also preserving and enhancing the borough's most valuable assets and maintaining its long established and strongly supported character and appearance as an outer London sub-urban borough. The strategy identifies two parts of Havering as the main areas for accommodating Havering's growth over the plan period - the Strategic Development Areas of Romford and Rainham and Beam Park. In addition, the Strategy notes that significant growth will be accommodated from the major regeneration of the Council's own housing estates, through the 12 Estates Regeneration Programme.

6.3. Overall, the key sources of supply that have been included in Havering's housing trajectory area:

- Major sites (with potential for the delivery of 10 or more dwellings) within the Romford Strategic Development Area;
- Major sites within the Rainham and Beam Park Strategic Development Area;
- Council Housing Estates Regeneration Sites;
- Major sites outside the Strategic Development Areas and 12 Estates Regeneration Programme
- Small sites (with potential for the delivery of 1-9 dwellings)
- Vacant units returning to use

6.4. Table 6.1 below identifies the supply anticipated to come from each of these key sources.

Table 6.1: Key sources of housing supply

Source of Supply	Net additional Homes 1-5 years	Net additional Homes 6-10 years	Total 10 year supply	Total 15 year supply
Major sites within the Romford Strategic Development Area (including 12 Estate Regeneration Programme sites)	124	5117	5241	6642
Major sites within the Rainham and Beam Park Strategic Development Area (including 12 Estate Regeneration Programme sites)	590	2515	3105	3105
12 Estates regeneration programme sites outside of the SDAs	-34	410	376	1288
Other major sites outside of the SDAs and estates regeneration programme (including permissions, applications, pre-applications and other sites)	1117	503	1620	1620
Small sites (with potential for the delivery of 1-9 dwellings)	540	900	1440	2340
Vacant units returning to use	78	130	208	338
Completions 2016/17 and 2017/18	884	NA*	884	884
Surplus from 2015/16	221	NA*	221	221
Total	3520	9,575	13,095	16,438

*Surplus completions from 2015/16 and completions in 2016/17 and 17/18 are not included in this period. They are included in the total 10 and 15 year supply.

- 6.5.** In addition, the Council has given full considerations to other options, in particular scope for the Green Belt to provide land for new homes.
- 6.6.** The assessment has considered all sites and broad locations capable of delivering 10 or more dwellings. This threshold accords with the borough's definition of major

applications. Anticipated supply through windfall development has also been identified through an assessment of previous delivery and research undertaken as part of the London SHMA 2013.

6.7. Sites have been identified from the following information sources:

- Sites with planning permission
- Sites with current live applications or applications with a committee resolution to grant consent
- Sites allocated for residential development in the Romford Area Action Plan 2008 or Site Specific Allocations Plan 2008 (Local Development Framework)
- Sites identified in the GLA SHLAA 2017
- Sites published in the Havering Brownfield Register
- Sites identified in the Romford Town Centre Development Framework 2015 and the Rainham and Beam Park Development Framework 2016
- Sites identified through call for sites
- Sites that have been the subject of a pre-application meeting
- Other robust evidence of developer interest
- Sites that are in public ownership and where there is intent to redevelop or dispose of. These include:
 - The Council's 12 Estates Housing Programme
 - Sites identified in Mercury Land Holdings Business Plan

Major sites within the Romford Strategic Development Area (Housing Zone)

- 6.8.** The planned arrival of Crossrail in 2019/20 alongside the relative affordability of this area are key drivers of growth. They have already placed Romford firmly in the minds of investors and developers who are keen to realise its opportunities. The Mayor of London has already recognised this and in early 2016 Romford was granted Housing Zone Status which will provide significant investment in order to accelerate the delivery of new homes. The area's significant growth potential is also recognised through its proposed designation by the Mayor of London as an Opportunity Area in the draft London Plan.
- 6.9.** There are a number of opportunity sites within the Romford Strategic Development Area which can accommodate housing growth. There is an increased demand for homes in east London, and with areas closer to central London becoming unaffordable to many, it is likely that both demand and house values will grow, especially with the arrival of Crossrail.
- 6.10.** The Romford Strategic Development Area is expected to provide for over 5,000 net new homes within the first 10 years of the plan and over 6,000 net new homes by the

end of the plan period. Annex 2 provides a site by site assessment of the deliverability of each site in the Romford Strategic Development Area.

6.11. The Council is taking an active role in the regeneration of Romford. Alongside its current development plans for the Waterloo and Oldchurch Gardens - 12 Estates sites, and Bridge Close, the regeneration department is actively looking into opportunities for a comprehensive redevelopment of some of the Council's sites within the town centre. These sites include:

- Como Street
- 37-59 High Street
- Angel Way Car Park and High Street Shops

6.12. Comprehensive development of Council sites within the Romford town centre would enable greater flexibility and efficiency in the layout and planning of sites and has the potential to provide a significant amount of housing within the Romford area. Planning for this comprehensive development has not reached a stage where political approval has been received and evidence is able to be released to support these figures. Therefore, for each site assessment, a conservative approach has been taken. Housing numbers have been calculated based on each site being developed separately, but still taking into account the likely timeframe for comprehensive development. For those sites where there are land ownership matters to be resolved, a discount has been applied to unit numbers.

Major sites within the Rainham and Beam Park Strategic Development Area

6.13. The Rainham and Beam Park Strategic Development area is a major growth and regeneration area and provides the opportunity to establish an exciting new residential neighbourhood linked to the delivery of a new railway station on the existing Essex Thameside line at Beam Park.

6.14. The area falls within the London Riverside Opportunity Area, identified in the London Plan as having the capacity to provide a significant number of new homes and jobs. In June 2015, following a successful bidding process, Rainham and Beam Park was identified as one of the GLA's Housing Zones which is providing much needed investment to help secure and accelerate the delivery of new homes by overcoming barrier to development and supporting the provision of social and physical infrastructure in the area to create attractive new places to live. The London Riverside Opportunity Area Planning Framework (2015) sets out the Mayor's strategic priorities and long term vision for the area over the next 20 years.

6.15. There are a number of development opportunities in the area on sites that are within public and private ownership. The GLA are an important land owner in the area and

have recently received a hybrid planning permission for the delivery of a residential and mixed use development together with Countryside and L&Q.

6.16. The Council is actively acquiring land along the A1306 corridor and in December 2017 the Council appointing Notting Hill Trust as its Joint Venture Partner. A number of outline planning applications for these sites have been approved or are currently awaiting a decision.

6.17. The Rainham and Beam Park Strategic Development Area is expected to provide over 3,000 net new homes over the plan period, all within the first 10 years of the plan. Annex 3 provides a site by site assessment of the deliverability of each site in the Rainham and Beam Park Strategic Development Area.

Council Housing 12 Estates Regeneration Sites

6.18. Further growth will be accommodated from major regeneration of the Council's own housing estates. The Council is planning to build a significant number of new homes in one of the most ambitious local authority home building programmes in the country. The initial programme focuses on 12 sites across the borough, delivering over 2,000 additional homes. The 12 sites are both inside and outside the Strategic Development Areas. In March 2018 the Council announced that it had entered into a joint venture agreement with Wates Residential in order to deliver the programme.

6.19. The overarching vision for the programme is to successfully establish vibrant and connected communities, supported by the provision of good quality new homes, tenure diversity, high quality public spaces, and well-used community facilities within safe and secure environments where people want to live and participate in local activities.

6.20. A key objective of the programme is to contribute to meeting the wider housing needs of Havering through the regeneration and transformation of the Council's existing stock for predominantly residential use; to provide a choice of good quality housing for people at all stages of life (including older persons), increasing tenure diversity through affordable rent, shared ownership, private rent, market sale and sheltered housing.

6.21. The initial 12 sites were identified as offering the greatest potential for the provision of new affordable homes or requiring intervention due to the costly or unacceptable quality of housing. The Council intend, where appropriate, to bring forward further sites for inclusion in the Joint Venture Partnership at a future date.

6.22. The Council will receive £33m grant monies from the GLA to deliver the new estates.

- 6.23.** Due to the size of the potential development on all 12 sites and the decant and financial viability issues it would not be practicable to start work on all sites simultaneously. It was therefore proposed that Waterloo Road, Queen Street, Napier & New Plymouth and Solar, Serena and Sunrise Court are prioritised. These sites provide over 50% of the total new housing to be delivered through this project.
- 6.24.** In the first 10 years of the plan period, the Council intends to build over 250 net new homes on its sites outside of the Strategic Development Areas. Over the whole plan period this figures increases to over 1,200 new homes. When looking at all sites within the 12 sites regeneration programme, over 1000 net new homes are anticipated in the first 10 years of the plan period and over 2,700 over the whole plan period. Annex 4 provides a site by site assessment of the deliverability of each of the estates sites outside of the Strategic Development Areas. More supply is anticipated to come from the estates regeneration programme, however, planning and political approval for these sites has not yet reached a point at which they could be considered deliverable or developable. The numbers used in the updated housing trajectory are based on information provided by the Council's regeneration department as of 15 January 2018. They are subject to change through the planning process.

Major sites outside of the 12 Estates Regeneration Programme and the Strategic Development Areas

- 6.25.** Outside of the Estates Regeneration Programme and the Strategic Development Areas, the Council has identified a number of sites with the potential to contribute to over 1,500 net new homes in Havering over the plan period. These include:
- Sites with existing planning permission, which can contribute over 1,200 new dwellings.
 - Sites with applications currently being processed, which have the capacity to contribute at least 100 new dwellings;
 - Two other sites. One of which has been the subject of a pre-application and the Council is aware of intent from the owner to develop (Station Approach). The other has recently been acquired by the Council and is identified as an area to be developed in Mercury Land Holdings Business Plan (Quarles Campus). These sites are capable of delivering at least 200 new dwellings.
- 6.26.** Annex 5 provides a site by site assessment of the deliverability of each of the major sites outside of the Estates Regeneration Programme and Strategic Development Areas.

Windfall – Small Sites and Vacant units returning to use

6.27. The NPPF 2012 supports the inclusion of windfalls in a 5-year supply if there is compelling evidence. Paragraph 48 states that:

Local planning authorities may make an allowance for windfall sites in the five year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic, having regard to the Strategic Housing Land Availability Assessment, historical windfall delivery rates and expected future trends, and should not include residential gardens.

As set out in Table 6.2 below, Havering has undertaken an assessment of historical windfall delivery rates of small sites (being those with less than 10 units proposed and not including development on residential gardens). Average annual net completions have been 180 units. The Council considers this figure constitutes a realistic, if not slightly conservative windfall and on this basis has applied it to the trajectory. This windfall broadly accords with the 151 units identified as a small sites windfall in the London SHLAA 2013, however, is significantly below the 904 units per year identified in the London SHLAA 2017. The Council has contested the latter figure through the consultation process and considers it to be unjustified.

Table 6.2: Average completions on small sites 2012-2016

	Completions on Small Sites (net additional dwellings)
2016	164
2015	170
2014	225
2013	151
2012	191
Five Year Average Completions	180.2

6.28. An annual windfall of 26 units, representing vacant units returning to use has also been included in the trajectory. The 26 units estimate is drawn from the London SHLAA 2013 (page 40) which based this figure on a target of reducing the proportion of long term vacants to 0.75% of total stock. The 0.75% benchmark was adopted because it provided numbers that were realistic in relation to past delivery.

Green Belt

- 6.29.** In seeking to address the shortage of housing land supply, the Council has given full consideration to other options. In particular, the Council has looked at the scope for the Green Belt to provide land for new homes.
- 6.30.** Two Green Belt Studies have been undertaken as part of the evidence base for the Local Plan. The first Green Belt Study was undertaken by the London Borough of Havering in association with PBA and Enderby Consultants. This study assessed the contribution that land within the Green Belt makes to the Green Belt purposes (as defined in para 80 of the NPPF). To aid the assessments, the Green Belt in the Borough was divided into 24 land parcels. A performance value was attributed to the parcels for each purpose, based on predefined criteria. The study found that all 24 parcels make a contribution to Green Belt purposes, with 19 of the 24 Green Belt parcels making a fundamental contribution to the Green Belt purposes. A further four parcels were found to make a high or moderate/high contribution and only one parcel was found to make a low contribution.
- 6.31.** A second Green Belt Study was prepared by LUC in 2018. The aim of this study was to provide conclusions on the potential degree of harm that may occur if the sites (which had been submitted to the Council as part of the Local Plan process) were released from the Green Belt. This took account of three elements: 1) the contribution of the sites to the NPPF Green Belt purposes, 2) the potential impact on the wider integrity of the Green Belt and 3) the strength of revised Green Belt boundaries that would remain if the site was to be released. Out of a total of 84 sites assessed (with a total area of 849ha):
- 46 sites (total area of 682ha, which is 80.3% of the total area of the 84 sites) rated as 'high' in terms of harm to Green Belt resulting from release.
 - 21 sites (120ha, 14.1%) rated as 'moderate-high' in terms of harm to Green Belt resulting from release.
 - 9 sites (24ha, 2.9%) rated as 'moderate' in terms of harm to Green Belt resulting from release.
 - 4 sites (17ha, 2%) rated as 'low-moderate' in terms of harm to Green Belt resulting from release.
 - 4 sites (6ha, 0.7%) rated as 'low' in terms of harm to Green Belt resulting from release.
- 6.32.** The Council does not believe that there are 'exceptional circumstances' to warrant the release of Green Belt land to meet the Borough's housing need. As stated in the Housing White Paper (page 21), the Government "seeks to maintain existing strong protections for the Green Belt, and clarify that Green Belt boundaries should be amended only in exceptional circumstances when local authorities can demonstrate

that they have fully examined all other reasonable options for meeting their identified housing requirements.

6.33. The Council is concerned that any release of Green Belt could undermine the delivery of housing on key brownfield sites within Rainham and Beam Park and Romford, both of which are important regeneration areas with committed funding programmes and which offer significant opportunities for new homes.

6.34. Opportunities for new housing are recognised at previously developed sites within the Green Belt at St Georges Hospital and Quarles Campus. Both sites were previously identified in the Local Development Framework as Major Developed Sites within the Green Belt. The St Georges site has planning permission.

Assessing whether sites are ‘deliverable’ or ‘developable’

6.35. Paragraph 47 of the NPPF (2012) states that to boost significantly the supply of housing, local authorities should:

- *Identify and update annually a supply of specific **deliverable** sites sufficient to provide five years worth of housing against their housing requirements(and)*
- *Identify a supply of specific, **developable** sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15;*
- *For market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period...*

6.36. This is supplemented by two definitions in footnotes 11 and 12:

- *Footnote 11: To be considered **deliverable**, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.*
- *Footnote 12: To be considered **developable**, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.*

6.37. National Planning Policy Guidance (Housing and economic land availability assessment section)⁶ provides further clarification on considerations assessing the

⁶ This refers to the guidance prior to the new NPPF.

suitability, availability and achievability of sites. Table 6.3 below summarises this further guidance:

Table 6.3: National Planning Policy Guidance: Factors to be considered for suitability, availability and achievability of sites

	Factors to be considered
Suitability	<ul style="list-style-type: none"> • Physical limitations or problems such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination; • Potential impacts including the effect upon landscapes including landscape features, nature and heritage conservation; • Appropriateness and likely market attractiveness for the type of development proposed; • Contribution to regeneration priority areas; • Environmental/ amenity impacts experienced by would be occupiers and neighbouring areas <p><i>Note: Sites in existing development plans or with planning permission will generally be considered to be suitable, although it may be necessary to assess whether circumstances have changed which would alter their suitability</i></p>
Availability	<p>Sites are considered available, when, on the best information available (confirmed by the call for sites and information from land owners and legal searches where appropriate), there is confidence that there are no legal or ownership problems. Where potential problems have been identified, then an assessment will need to be made as to how and when they can realistically be overcome.</p> <p>Consideration should also be given to the delivery record of the developers or landowners putting forward sites, and whether the planning background of a site shows a history of unimplemented permissions.</p>
Achievability	<p>A site is considered achievability where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site and the capacity of the developer to complete and let or sell the development over a certain period.</p>

6.38. Based on the NPPF and its guidance, the Council has prepared a Housing Trajectory (see Annex 1) which demonstrates a 5 year supply of deliverable sites, a 6-10 year supply of deliverable or developable sites and, where possible, a 10-15 year supply of deliverable or developable sites. The threshold of deliverability has been applied to all

sites anticipated to come forward in the 5 years from anticipated adoption in 2019 (2019-2023). This enables an accurate assessment of Havering's 5 year supply from anticipated adoption.

- 6.39. The Housing Trajectory is accompanied by a Sites Compendium (Annexes 2-5) which contains assessments of whether each site is deliverable or developable, along with the evidential basis for this determination.

Build out rates, lead in times and phasing of development

- 6.40. Compiling a housing trajectory requires an assessment as to the likely timing of completions and phasing of development, particularly with regard to larger schemes.
- 6.41. The Inspector's Post Examination Note on Spatial Strategy and Housing (26 October 2018) asked the Council to provide details on the evidence behind its assumptions on build-out rates and lead-in times. This evidence is outlined below.

Build Out Rates

- 6.42. For the purposes of its assessment, the '**build out period**' is between the granting of full planning permission and completion of the last home on the site. **Build out rates** are considered to be the percentage of the site that is built out on average in each year within this period.

Sir Oliver Letwin's Independent Review of Build out Rates: Draft Analysis (June 2018)

- 6.43. Sir Oliver Letwin (MP)'s Independent Review of Build Out Rates: Draft Analysis (June 2018) examined build out rates on 15 large sites (1000 units and over⁷) and identified fundamental explanations for these rates. The review found a median "**build out period**" of 15.5 years, and a median build out rate of 6.5% across the 15 large sites examined.
- 6.44. The fundamental driver for this lengthy build out period and low build out rate was the '**absorption rate**' – the rate at which newly constructed homes can be sold into the local market without materially disturbing the market price. The key influencer of the absorption rate was determined to be the variety of homes on offer, in terms of style, size and tenure. Put simply, most large home builders tended to offer a homogenous type of dwelling which could only be absorbed by the market at a certain rate before the market was flooded, impacting the house price and therefore the anticipated price the developer had built their financial calculations on. The absorption rate was considered to be the fundamental driver of the slow rate of build out, however, the review also comments on several other drivers, including:

⁷ 14 out of 15 of the sites examined were for over 2,000 units

- **Lack of transport infrastructure** - which was considered not to be a key determining factor in build out rates, but likely to have an influence on when final permission is granted for the development;
- **Difficulties of land remediation** - where no systemic contrast between build out rates on 'greenfield' sites with no remediation requirements and large brownfield sites that have required intensive remediation was found.;
- **Constrained site logistics** - where the impression was that developers and major house builders had the capabilities to manage faster build out rates in a way that was compatible with both efficient construction and keeping impacts on early residents tolerable;

Nathaniel Litchfield & Partners report on housing delivery (November 2016)

6.45. In their report entitled "*Start to Finish: How Quickly do Large-Scale Housing Sites Deliver*" (November 2016)", Nathaniel Litchfield & Partners also examined the delivery rates of large-scale housing sites. The report looked at 70 large sites (500+ units proposed), as well as 83 small sites (<500 units proposed). The sites were predominately located outside London "due to the distinctive market and delivery factors applicable in the capital"⁸.

6.46. The time between planning approval (detailed or full) and the completion of the first units on the site was found to be just over 18 months for small sites (of under 500 units), however, interestingly it was substantially quicker for large-scale sites, particularly those over 2,000 dwellings where the average time was 0.8 years⁹.

6.47. The report also identified the 'absorption' rate as being a key determinate for build out rates. The absorption rate was noted as being influenced by a number of factors including:

- **The strength of the local housing market** – where stronger market demand was found to support higher build rates;
- **The tenure of housing being built**- where it was found that those developments with a larger proportion of affordable homes (more than 30%) delivered more quickly, where viable. For developments with 40% or more affordable housing the built out rate was 40% higher than those development of 10-19% affordable housing.
- **The size of the development** – where it was found that the larger the development, the higher the average number of units built per year (ranging from 27 units for sites of less than 100 units, to 161 units for sites of more than 2,000 units);and

⁸ Page 2, "*Start to Finish: How Quickly do Large-Scale Housing Sites Deliver*" (November 2016)

⁹ Page 8, "*Start to Finish: How Quickly do Large-Scale Housing Sites Deliver*" (November 2016)

6.48. The report found that delivery rates were not steady, with annual completions tending to be higher early in the build out period before dipping¹⁰ and the overall rate fluctuating in peaks and troughs. Brownfield sites saw an average of 83 completions per year.

The Havering Context

6.49. The research indicates that the absorption rate is the key determinate for build out rates and is dependent on a number of factors. These factors are considered below with comment regarding the Havering context:

- **Strength of the Housing Market:** The Havering Local Plan – Viability Assessment (LBHLP.24) notes that with regard to the housing market, the economic outlook remains uncertain and largely dependent on the UK's terms of exit from the EU. While the average house prices in London have decreased over the past year to June 2018¹¹, Havering has been one of the best performing boroughs with a 6.1% annual increase in the year to June 2018¹². The borough remains attractive due to its comparably low land values and the anticipated major infrastructure improvements coming through the new Beam Park Station and Crossrail. The Havering housing market is discussed in more detail in paragraphs 2.3-2.15 of the Viability Assessment (LBHLP.24).
- **The variety of homes on offer:** The Outer North East London SHMA 2016 (LBHLP.14) sets out Havering's housing need for a variety of housing tenures and sizes. Policies 4-6 of the proposed Local Plan seek to ensure that this need is met through proposed development. In addition, the Council is actively involved in housing delivery through its Joint Ventures (including the 12 Estates Regeneration Programme, Rainham and Beam Park redevelopment and Bridge Close redevelopment) which comprise a substantial proportion of anticipated delivery. Subject to viability, these developments aim to meet or exceed the 35% affordability target the Council has set out, which will likely assist in improving the build out rate. Variety through design is encouraged through Policies 26 and 27.
- **The size of development:** Many of the anticipated new homes in Havering are from large scale developments between 100 and 1000 proposed units. Most of the anticipated homes are expected to be built within the Strategic Development Areas where higher density typologies such as apartments are expected. Apartment developments are more likely to see a large number of completions occur at the same time as each block is finished.

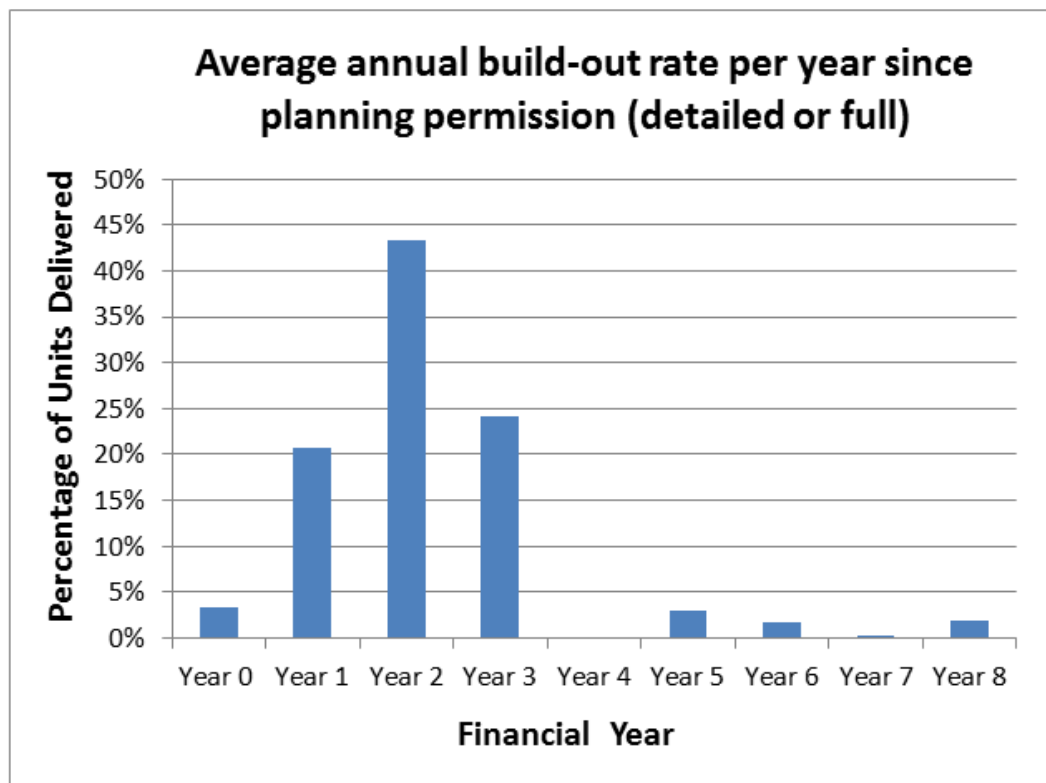
¹⁰ Page 16, 'Start to Finish: How Quickly do Large-Scale Housing Sites Deliver' (November 2016)

¹¹ GLA Quarterly Housing Market report (updated 21 September 2018)

¹² <https://www.homesandproperty.co.uk/property-news/uk-inflation-rises-as-london-house-prices-record-biggest-fall-since-2009-a123106.html>

6.50. The Council has undertaken an assessment of Havering's build out rates based on schemes of 10 or more units completed between 2011 and 2016. The average period between approval of full or detailed planning permission and final completion of the schemes was found to be 2.51 years, rising to 3 years for developments over 100 units (not including Prior Approvals¹³). Most completions for schemes of 10 or more units occurred in the 2nd financial year following approval, with the majority of completions occurring within 2-3 years of approval. The number of completions in each financial year ranged from 2 units to 339 units. For schemes of over 100 units the median number of completions (for years where substantial completions occurred) was 100 units¹⁴.

Table 6.4.



6.51. These findings generally align with those of in the Nathaniel Litchfield & Partners Report but differ from the build out rates and build period identified in the Sir Oliver Letwin review. This may be due to the small sample size of the Sir Oliver Letwin review and its focus on very large developments of predominately over 2,000 units of which Havering has not experienced and are not anticipated on the trajectory.

¹³ Prior approvals were not included in this calculation as change of use developments had a significantly lower build out rate that skewed results.

¹⁴ Substantial completions were deemed to be 5 or more units completed.

Trajectory Assumptions

6.52. For the purposes of this trajectory, an average build out period of 2.5 years (or 3 years for developments of over 100 units) has been used as an initial basis for determining when completions are to occur, in line with the assessment of previous completions in Havering. It has been assumed that the first units will be completed approximately 18 months from when permission has been granted, in line the findings of the Nathaniel Litchfield & Partners Report. For larger developments of over 100 units, it has been assumed that the annual completion rate will be slightly higher in the earlier years where completions occur and that average annual completions will not exceed 100 units per year unless more site specific information suggests otherwise.

6.53. The above assumptions have been used as a starting point for assessment of likely delivery; however, each assessment is also affected by a number of factors specific to each site, including:

- **Information from the land owner or developer:** In some circumstances, the Council has been provided with information from the relevant land owner or developer as to the planned timing of completions either through correspondence or through a phasing plan or construction management plan, submitted as part of the conditions.
- **Information from other Council departments:** Where the Council is the developer or is part of a Joint Venture developing the land, anticipated completion timings have been provided based on conversations with the relevant Council officers, business plans, outline delivery plans and public information available on the development website.
- **Information from the GLA:** In some circumstances, the GLA has provided funding to a development and has outlined anticipated start and completion dates within its expected outcomes.
- **The stage of development:** The average build out period is based on full or detail permission being received. Where only outline approval has been received, another 6 months has been added. Similarly, the assessments have taken into consideration whether conditions are or have been discharged, whether a section 106 agreement is in place and any payments made, and whether construction is underway. In these situations the build out period has been reduced accordingly (or increased if a section 106 agreement is not in place).
- **The type of development:** The assessments take into accounts whether developments involve a change of use, for example office to residential, and the retention of existing buildings. These developments typically have a much

lower build out period as there are less infrastructure constraints and largely only internal changes to be made.

- **Whether an application is likely to get refused and appealed:** This is determined through conversations with the relevant Council development management officer. If this is the case approximately 9 months has been added to the average build out period.
- **Whether the developer has a history of slow or fast 'build outs':** This information has been gathered from discussions with the Council's development management officers and the build out period has been reduced or increased accordingly.
- **Whether there are infrastructure or other planning constraints that may delay construction:** Where there are significant site constraints such as land contamination, the build out period has been adjusted accordingly.
- **Whether there are incentives in legal agreements to start work soon:** Some s106 agreements provide for an early review of affordable housing provision if the implementation of affordable housing does not occur within a specific period. In some circumstances, completion start dates have been brought forward as it is assumed developers will want to avoid having to provide more affordable housing as a result of the review clause.
- **Whether the site is identified in the GLA SHLAA 2017 for a particular phase:** For those sites which do not have a permission or application in process, the SHLAA 2017 phasing has been used to help estimate when development is likely to occur.

Lead in times and planning approval period

6.54. The assessments also take into account 'lead-in times' (the time from the site first being identified by the planning authority till submission of an application) and the planning approval period itself. The Nathaniel Lichfield & Partners report notes that lead in times are hard to estimate. The report's sample of sites with information on lead in times took an average of 3.9 years from first identification by the planning authority for housing to the first application being submitted. The sample size was too small to make clear conclusions, however, the case studies looked at identified the following trends:

- On average, larger sites take longer to complete the lead in and planning application process than smaller sites, however, they tend to have shorter build out periods.

- Where planning applications are determined more quickly than average this is generally due to these matter having being dealt with earlier either through development briefs, pre-application meetings and master planning.

6.55. The Council has undertaken an assessment of previous planning approval periods for schemes of 10 or more units completed within the 2011-2016 financial years. This identified that the average period from validation of the application (full, detailed or outline) to a decision was approximately half a year. This average was similar when looking at full or detailed applications separate. The average outline application took slightly longer at approximately 9 months, however, this was based on a sample size of two and therefore is not considered to be reliable.

6.56. For the period April 2017 to March 2018, 28 major applications were determined, 89% of which were determined within the statutory or agreed period. For the year to date (April 2018- December 2018) 29 major applications have been determined, 90% of which were within the statutory period or agreed date.

Trajectory Assumptions

6.57. The following assumptions have been made regarding lead in times as depicted on the housing trajectory.

- As a starting point a planning processing period of 1 year is assumed. This period includes the assessed average application processing time for Havering and adds an extra 6 months as a buffer period to take into account pre-application discussions that may occur, the potential for an initial refusal and re-application or delays.
- The trends discussed above (at paragraph 6.54) have been taken into account in assessing whether the lead in time should be increased or reduced.
- Where land assembly is required for sites to be developed, the lead in time has been extended by at least 1 year.

6.58. For sites where the Council has an involvement, the lead in time has been determined, in part, through conversations with relevant Council officers.

6.59. Finally, an assessment of whether sites are developable or deliverable has helped to determine the positioning of completions on the trajectory. Where a site has not met the deliverable threshold but has met the developable threshold, completions are placed outside the five year period (i.e. 2024 onwards).

Application of a Discount Rate

Sites with Planning Permission

6.60. Footnote 11 of the NPPF 2012 states that Sites with Planning Permission should be considered deliverable until permission expires unless there is **clear evidence** that schemes will not be implemented within five years, for example:

- They will not be viable
- There is no longer a demand for the type of units
- Sites have long term phasing plans

6.61. The guidance document 'Housing and Economic Land Availability Assessment' clarifies that planning permission pertains to both outline and full permissions that have not been implemented.

6.62. On this basis, a discount rate has not been applied to sites with existing planning permission. However, where a pre-application for greater density has been received on a site which has an existing permission, an assessment has been made of whether these numbers are likely to be approved and whether a discount rate should be applied. The assessment is based on conversations with the relevant planning officer and meeting minutes from Council hearings relating to the pre-application.

6.63. Using LDD data, the Council has undertaken an assessment of lapse rates for permissions granted for developments of 10 or more units between 2010 and 2015 (Annex 6). This found that Havering has a low lapse rate of approximately 8%.

Table 6.4. Status of Permissions for Major Sites granted between 2010 and 2015

Total	53	100%
Completed	38	72%
Lapsed	4	8%
Started	9	17%
Submitted	0	0%
Superseded	1	2%

Sites with Current Planning Applications

6.64. The housing trajectory includes a number of sites with current 'live' planning applications. An individual assessment based on conversations with planning officers has been undertaken for each site as to whether a 'discount' rate should be applied to these sites. This assessment takes into account whether the application has been recommended for approval or is likely to be.

6.65. In some cases a 10% or 20% discount has been applied. In other cases, where the proposals have come in at ambitious densities, a discount has been applied to bring the numbers into line with those in capacity studies for the sites that have been undertaken by Tibbalds on behalf of the Council.

The 12 Estates Regeneration Programme

6.66. A discount rate has not been applied to sites that form part of the 12 Estates Regeneration Programme. The Council is committed to the delivery of units on these sites and has undertaken extensive capacity and viability work to justify and support the delivery of this programme. Significant funds have been invested by both the Council and the GLA to ensure that this programme goes ahead. Furthermore, as the 12 Estates Regeneration Programme represents only the initial phase of development, the application of a discount rate would not be in keeping with anticipated delivery which is greater than what is currently depicted on the trajectory.

Pre-Applications

6.67. Where sites have been the subject of a pre-application meeting, an assessment has been made of whether these numbers are likely to be approved and whether a discount rate should be applied. The assessment is based on conversations with the relevant planning officer and meeting minutes from Strategic Planning Committee meetings, relating to the pre-application. In some cases, where the proposals have come in at ambitious densities, a discount has been applied to bring the numbers into line with those in the capacity studies for the sites that have been undertaken by Tibbalds on behalf of the Council. When applying a discount, consideration is also given to the likelihood that an application will come forward in the time anticipated.

Other Sites

6.68. An individual assessment on the application of a discount rate to other sites has been applied on the basis of the following considerations:

- The level of evidence that the sites will come forward in the period anticipated
- Whether the Council has control of the land and the ability to bring it forward for development.
- Whether the Council has undertaken any planning in relation to the site and whether political approval has been received to redevelop the land.
- Whether there is developer interest in the land
- Whether land assembly is required

7. Calculating Havering's 5 Year Supply

- 7.1. Section 5 outlines Havering's proposed housing requirements (targets), using a stepped trajectory and the justification for those targets. This section assesses whether Havering is able to demonstrate a 5 year supply of land based on those targets.

Table 7.1. Housing targets using a stepped trajectory

Plan period	Year	Target
Years 1-5	2016/17-2020/21	700 units per annum
Years 6-9	2021/22-2024/25	1640 units per annum
Year 10	2025/26	1641 units per annum
Years 11-15	2025/27- 2030/31	1170 units per annum

- 7.2. Paragraph 47 of the NPPF (2012) states that to boost significantly the supply of housing, local authorities should:
- *Identify and update annually a supply of specific **deliverable** sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planning supply and to ensure choice and competition in the market for land..*
- 7.3. As discussed in Section 3, a buffer of 20% has been applied on the basis of persistent under-delivery.
- 7.4. Havering's 5 year supply has been calculated on the basis of its proposed stepped targets with the application of a 20% buffer and using the Sedgfield Approach of accommodating the shortfall within the first 5 years. The 20% buffer has been applied to the shortfall in addition to the housing target. Where there is no shortfall but is instead a surplus a 20% buffer has not been applied to the surplus.
- 7.5. The five year supply has been calculated both at anticipated adoption of the plan in 2019 and at submission of the plan in 2018. Net completions are grouped by financial year (April 1 – March 31 the following year).

Table 7.2 Five Year Supply Based on a Stepped Trajectory as at Submission (2018) using the Sedgefield Approach*

Target	5380
Shortfall	295
Five year target plus shortfall	5675
Application of 20% Buffer	6810 (5675 x 1.2)
Annualised target with 20% buffer	1362 (6810/5)
Supply	6736 (2018-2022)
Supply divided by annualised target with 20% buffer	4.95 years supply (6736/1362)

Table 7.3 Five Year Supply Based on a Stepped Trajectory as at Adoption (2019) using the Sedgefield Approach*

Target	6320
Shortfall	414
Five year target plus shortfall	6734
Application of 20% Buffer	8081 (6734 x 1.2)
Annualised target with 20% buffer	1616 (8081/5)
Supply	8624 (2019 – 2023)
Supply divided by annualised target with 20% buffer	5.34 years supply (8624/1616)

7.6. The five year supply has also been calculated using the annualised target of 1,170 put forward in the plan at submission. Supply has been calculated both at anticipated adoption of the plan in 2019 and at submission of the plan in 2018. A 20% buffer has been applied to the shortfall and the Liverpool Approach has been used.

Table 7.4 Five Year Supply Based on a linear trajectory as at Submission (2018) using the Liverpool Approach^{15*}

Target	5850
Shortfall	1235
Shortfall spread over the remaining plan period	95 (per year)(1235/13)
Shortfall for 5 years (2018-2022)	475 (95 x 5)
Five year target plus shortfall	6325(475+ 5850)
Application of 20% Buffer	7590(6325 x 1.2)
Annualised target with 20% buffer	1518 (7590/5)
Supply	6736 (2018 – 2022)
Supply divided by annualised target with 20% buffer	4.44 years supply (6736 /1518)

^{15*}Calculations may not add up as the the numbers have been rounded.

Table 7.5 Five Year Supply Based on a linear trajectory as at Adoption (2019) using the Liverpool Approach*¹⁶	
Target	5850
Shortfall	1824
Shortfall spread over the remaining plan period	154 (per year)(1824/12)
Shortfall for 5 years (2018-2022)	760 (154 x 5)
Five year target plus shortfall	6610 (760 + 5850)
Application of 20% Buffer	7932 (6610 x 1.2)
Annualised target with 20% buffer	1586 (7932 /5)
Supply	8624(2019 – 2023)
Supply divided by annualised target with 20% buffer	5.44 years supply (8624/1586)

7.7. For completeness, the five year supply has also been calculated using the annualised target of 1,170 put forward in the plan at submission using the Sedgefield Approach. Supply has been calculated both at anticipated adoption of the plan in 2019 and at submission of the plan in 2018. A 20% buffer has been applied to the shortfall.

Table 7.6 Five Year Supply Based on a linear trajectory as at Submission (2018) using the Sedgefield Approach*	
Target	5850
Shortfall	1235
Five year target plus shortfall	7085 (5850+1235)
Application of 20% Buffer	8502 (7085 x 1.2)
Annualised target with 20% buffer	1700 (8502 /5)
Supply	6736 (2018-2022)
Supply divided by annualised target with 20% buffer	3.96 years supply (6736/1700)

Table 7.7 Five Year Supply Based on a linear trajectory as at Adoption (2019) using the Sedgefield Approach*	
Target	5850
Shortfall	1824
Five year target plus shortfall	7674 (5850+1824)
Application of 20% Buffer	9209 (7674 x 1.2)
Annualised target with 20% buffer	1842 (9209/5)
Supply	8624(2018-2022)
Supply divided by annualised	4.68 years supply (8624 /1842)

¹⁶ Calculations not add up as the numbers have been rounded.

7.8. In summary, a five year supply is able to be demonstrated both at submission and adoption under a stepped trajectory using the Sedgefield Approach (Tables 7.2 and 7.3) or at adoption under a linear trajectory when using the Liverpool Approach (Table 7.5). A five year supply is not able to be demonstrated either at submission or adoption using a linear trajectory and the Sedgefield approach, although it is close at 3.96 and 4.68 years respectively (Tables 7.6 and 7.7).

Havering's 10 and 15 Year Supply

Table 7.8: Havering's 10 and 15 year supply

Source of Supply	Total 10 year supply (2016/17-2025/26)	Total 15 year supply (2016/17-2030/31)
Major sites within the Romford Strategic Development Area	5241	6642
Major sites within the Rainham and Beam Park Strategic Development Area	3105	3105
Estates regeneration programme sites outside of the SDAs	376	1288
Other major sites outside of the SDAs and estates regeneration programme	1620	1620
Small sites	1440	2340
Vacant units returning to use	208	338
Completions 2016/17 and 2017/18	884	884
Surplus from 2015/16	221	221
Total Supply	13,095	16,438
Housing Target	11,701	17,551
Surplus (+)/ Shortfall (-)	+1,394	-1113

7.9. As demonstrated in Table 7.8, above, Havering is able both meet and exceed its 10 year housing target, thereby 'closing the gap' between the target and objectively assessed need. When this supply is averaged over the 10 year period the annual

supply figure of 1,310 is close to the 1,366 annual OAN identified in the SHMA 2016: Update for Havering (LBHLP.14.1).

7.10. The NPPF does not require local authorities to demonstrate a 15 year supply, however, does state that a supply should be identified where possible. Havering is not currently able to demonstrate a 15 year supply and has current shortfall of 1113 dwellings. However, the Council is actively looking at ways in which supply can be brought forward. The Housing Implementation Strategy (below) outlines these actions.

8. Housing Implementation Strategy

8.1. Section 7 concludes that Havering is able to meet its 5 year target at adoption in 2019 through the application of a stepped trajectory that takes into account an anticipated step change in housing delivery over the second five years of the plan period.

8.2. As required by Paragraph 47 of the NPPF, this section outlines Havering's Housing Implementation Strategy. It describes how the Council will ensure and maintain delivery of a five- year supply of housing land and meet its housing targets.

8.3. Havering's Spatial Strategy is set out in section 5 of the Local Plan. It outlines the Local Plan's approach to ensuring there is the necessary growth in homes to support and sustain new and existing communities. In support of its Spatial Strategy, the Council will implement a range of actions to bring forward existing and future development and redevelopment opportunities in order to meet both its housing targets and identified housing need.

8.4. These actions can be grouped into the following six categories:

- Facilitating sites to come forward through strategic planning
- Investigating future sources of housing supply
- Active involvement in housing delivery
- Facilitating development through the development management process
- Infrastructure delivery
- Monitoring and early review

Strategic Planning

The Romford Masterplan

- 8.5.** The Romford area contains several sites with large development potential which are not yet able to meet the criteria for inclusion in the housing trajectory. The preparation of a Romford Masterplan will enable the Council to influence, manage and co-ordinate the future character, design and layout of strategic development and infrastructure on key sites, particularly in light of the arrival of Crossrail and the enhanced profile of the area. The Masterplan will provide an opportunity for the Council to directly engage with relevant landowners and developers through the process to facilitate bringing forward these sites, build relationships with developers and other important stakeholders, and articulate the Council's aspirations for the area.
- 8.6.** The design guidance provided in the Masterplan will facilitate development coming forward by providing greater certainty to developers as to what is expected for proposals within Romford as well as helping to ensure that development outcomes achieve the Council's place-making objectives. In addition, it will enable the Council to identify what investments in infrastructure and the public realm are required to encourage development within the area. It will use this information in discussions with stakeholders such as the Mayor of London in the context of bringing forward improvements in public realm through measures such as 'Liveable Neighbourhoods' projects. Resolving infrastructure issues and enhancing the market attractiveness of the area will of course support overall housing deliverability.
- 8.7.** The Council has committed to completing a Romford Masterplan. Work is currently underway with public consultation having begun in **January 2019**. The Havering Plan 2019-2020 seeks to obtain Cabinet approval for the Romford Masterplan in March 2020.

The Site Specific Allocations Local Plan Document

- 8.8.** Similarly, the Council will prepare a Site Specific Allocations Document (SSA) to support its Local Plan.
- 8.9.** A call for sites to support the SSA is planned for summer 2019. A call for sites will provide an opportunity for additional development sites to be identified. The completed document will facilitate development by identifying sites with development potential and providing design guidance to support their development.
- 8.10.** Allocation in an SSA provides greater certainty and clarity to developers and landowners on the appropriate form and character of development on a site.

Future Sources of Supply

- 8.11.** The Council considers that there will be other sources of supply across the borough. Consideration has been given to the role of the borough's district centres and their potential for residential intensification. A review of sites in the district centres has found that whilst there may be some scope for intensification, it is unlikely that development will come forward in the early part of the plan due to land ownership issues and the availability of sites. However, the Council's positive strategy within the Local Plan would support such development if it were to come forward. Further investigation into this potential will occur as part of the development of a SSA.
- 8.12.** A further source of supply may arise from the One Public Estates Programme which takes a holistic view of public sector land and property requirements so that surplus land can be released for other uses.

Active Involvement in Housing Delivery

12 Estates Regeneration Programme

- 8.13.** The Council is currently undertaking one of the most ambitious local authority home building programmes in the country. The initial programme, focusing on 12 sites across the borough, has been identified within the housing trajectory. However, the Council is also looking into potential redevelopment across its other existing housing sites, as well as opportunities to redevelop areas adjacent to the 12 Estates Sites.

Other Regeneration Opportunities

- 8.14.** The Council is currently in the early stages of investigation into potential regeneration opportunities across its current land assets and is taking into account opportunities for comprehensive redevelopment through land assembly and the use of CPO powers if necessary. The Council has been successful in dramatically improving its ability to contribute to housing supply through its use of Joint Ventures. The developments in Rainham and Beam Park, Bridge Close and through the 12 Estates are examples of this and will help contribute to the Council meeting its 5 year supply.

The development management process

- 8.15.** The Council's pre-application service offers range of services, including meetings, written exchange of correspondence and site visits. Alongside this, for large or complex proposals, the Council offers Planning Performance Agreements (PPA) with the aim to work with applicants to get the proposal to an acceptable form prior to the submission of the planning application. This involves a development team approach working to a project plan.
- 8.16.** The pre-application system has been further refined in 2018 in the following ways:

- **Introduction of a Strategic Planning Committee (SPC) from May 2018** – the intention of the committee is to determine on major strategic planning applications. Part of the remit of the committee is to receive developer presentations at pre-application stage – ideally at an early stage and then closer to submission. The aim of the developer presentations is twofold. Firstly, it means that when applications are put before Members for decision they are already familiar with the proposal. Secondly, the early engagement allows Members to give feedback on the proposals at an early stage and later for the developer to explain how the scheme has evolved, including response to feedback given. Initial indications are that the process is working well where developers take the opportunity to engage at an early stage. The presentations to SPC form part of any PPA.
- **Introduction of Havering Quality Review Panel (QRP) from December 2018.** In accordance with Paragraph 129 of the NPPF, Havering have set up a design review panel. The QRP has a pool of 20 built environment professionals who have a record of achievement in their field. A panel, consisting of a Chair and 4 members from the pool of professionals, review development proposals, ideally at an early stage of the process with the aim of increasing the design quality of any proposal through feedback on the proposal. It is expected that for large major developments there would be a second presentation once the design has been further developed. The use of QRP is embedded in the PPA.
- **PPA's** – From January 2019 the pre-application service will be re-launched with proposals over 25 units requiring a Planning Performance Agreement and benefitting from a project managed Development Team approach. The aim is to ensure that a proposal is developed from early inception stage through to application submission so that it has the greatest possibility of being considered acceptable and granted planning permission.
- From Spring 2019, the pre-application process for developments less than 25 units will be revised and relaunched with specified timescales for response and differing level of service in terms of meetings, site visits and correspondence. The aim will be to give applicants certainty in developing their proposals through to planning application submission.

Infrastructure delivery

- 8.17.** Havering's Infrastructure Delivery Plan (IDP) sets out the type and scale of infrastructure required to underpin the Local Plan's vision and framework for the future development of Havering.
- 8.18.** The housing strategy for the Local Plan identified its Strategic Development Areas as the key source of future delivery. On this basis, the IDP sets out a number of priority projects within the SDA's in addition to other priority projects elsewhere in the borough.

Priority projects in the Rainham and Beam Park SDA
Utilities: diversion of electric cables, sewer and gas main
Transport: new Beam Park Station
Transport: Beam Parkway, improving connectivity along A1306
Education: new and expanded primary and secondary schools
Health: New primary care facilities, one in Beam Park development and one near Rainham Town Centre
Flood Protection: Opening up culverts and flood storage improvements

Priority projects in the Romford SDA
Transport: Crossrail serving Romford
Transport: Romford Station improvements
Transport: East West Link and improved accessibility for walking and cycling
Transport: Improved permeability of the Romford Ring Road through TfL's Liveable Neighbourhoods programme
Education: New and expanded primary and secondary schools in Romford
Health: Primary and community care hub in Romford Town Centre

8.19. The IDP identifies the main funding sources likely to be available to support delivery of Havering's infrastructure needs. These include:

- London Borough of Havering capital funding;
- Greater London Authority/ Transport for London;
- Developer contributions;
- Lotteries and charities;
- Direct charges for services, as in the case of utility companies.

8.20. It is also important to note that Havering contains two Housing Zones in (1) Romford and (2) Rainham and Beam Park. The provision of homes in these areas is supported by a range of planning and financial measures. Housing Zone programmes are funded by a combination of local authority funding, GLA direct and recoverable grant, and external funding. Housing Zone finance will be used predominately to delivery physical infrastructure in advance or parallel to development, which will significantly increase viability and hence improve Community Infrastructure Levy/ section 106 contribution potential.

1.1 Monitoring and early review

8.21. The Local Plan's Monitoring Framework identifies how the Council intends to monitor its housing land supply. As of November 2018, Local Plan is subject to the Housing Delivery Test in the new NPPF. If the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, authorities will need to prepare an action plan in line with

national guidance to assess the causes of under-delivery and identify actions to increased delivery in future years (paragraph 75 of the NPPF 2018).

8.22. The results of the Housing Delivery Test: 2018 were published by the Ministry of Housing, Communities and Local Government (MHCLG) on 19 February 2019. Havering's housing delivery was calculated to be 49%. This is based on inaccurate information for the 2015/16 and 2016/17 years because not all completions had been recorded when the data was submitted to the MHCLG by the GLA. Actual delivery should have been calculated to be 64%. As delivery has fallen below 95%, Havering Council will be publishing an action plan in line with national guidance in early August 2019.

8.23. Havering Council will consider implementing the following measures to bring forward development as part of the development of its action plan:

- Working with developers and infrastructure providers to overcome obstacles to delivery.
- Investigating alternative sources of funding if problems with infrastructure provision are delaying the development of strategic sites.
- Actively approaching land-owners of key strategic sites to identify obstacles to their development.
- Identifying further opportunities for the Council assets and its powers to assist in delivery.

8.24. It is acknowledged that the Local Plan will require an early review, particularly in light of upcoming adoption of a new London Plan. An early review will provide the Council with an opportunity to assess the effectiveness of the policies of the Local Plan and adjust them where necessary to be in general conformity with the housing policies of the new London Plan and meet Havering's identified housing need. The Council will initiate early review of the Local Plan within 18 months of the adoption of the Draft London Plan.

Conclusion

8.25. Havering is making every effort to identify and bring forward suitable housing sites to exceed the London Plan housing target and meet housing need. The Council is able to demonstrate that it is able to deliver a 5 year supply at adoption using a linear trajectory and the Liverpool approach.

8.26. Overall, Havering is able to demonstrate that it will be able meet and exceed its 10 year target. While it is not currently able to meet objectively assessed need for this

period, it is able to demonstrate that it can significantly close the gap between its target and its need.

8.27. Havering is doing everything possible to bring forward development as quickly as possible, but constraints and lead in times on major sites mean that the identified sites will deliver the majority of their units over the second five years of the Local Plan.

8.28. In addition to the specific sites identified in Annexes 2-5, the Proposed Submission Local Plan sets out a positive approach to growth and welcomes applications for sustainable residential development on suitable brownfield sites.

List of Annexes

Annex 1: Havering Housing Trajectory

Annex 2: Site Compendium – Romford Strategic Development Area

Annex 3: Site Compendium – Rainham and Beam Park Strategic Development Area

Annex 4: 12 Site Compendium – 12 Estates Regeneration Sites (outside of the SDAs)

Annex 5: Site Compendium – Other major sites outside of the estates regeneration programme and SDAs

Annex 6: Assessment of lapse rates

Annex 7: Assessment of build out rates

Annex 8: Historical affordable housing completions

Annex 9: Havering's comments on the Draft London Plan

Annex 10: Havering Specialist Older Persons Housing Report 2015

Annex 11: Havering Specialist Older Persons Housing Review of 2015 report (2018)

Annex 12: Draft Revised Policy 3 (January 2019)

Annex 13: Housing Strategy 2014 -2017

Annex 14: 2014-2017 London Development Database Housing Completions