
MONITORING THE LONDON PLAN 2021

Consultation response by ASocialDemocraticFuture

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Introduction and Summary

Section 346 of the Greater London Authority (GLA) Act 1999 places a duty on the Mayor to monitor the implementation of the Mayor's London Plan 2021.

The Greater London Authority (GLA) advises that the Annual Monitoring Report (AMR) is the most important document for assessing the effectiveness of the London Plan and its policies.

The Key Performance Indicators, or KPIs it uses are intended to “*help keep track of key trends, not to individually monitor all of the policies; this would not be achievable or desirable and should be regarded as benchmarks, showing the direction and scale of change*”.

This response by [ASocialDemocraticFuture](#) is focused on the monitoring of the London Plan's housing policies and in particular the effective discharge of Policy H7 below.

Policy H7: Monitoring of affordable housing (HP7)

1. Boroughs are required to have clear monitoring processes to ensure that the affordable housing secured on or off site is delivered and recorded in line with the Section 106 agreement.
2. Monitoring processes should ensure that any cash in lieu payments are used to deliver additional affordable housing.
3. Boroughs should ensure that where a review mechanism is triggered, it is implemented and the number of extra homes delivered, or cash in lieu secured, is recorded
4. Boroughs must publish monitoring information (on Parts A – C) annually to ensure transparency in the planning process and so the public know how funds are being spent. This information should be shared with the GLA so it can be part of the annual monitoring process.
5. *Policy H4 Delivering affordable housing, Policy H5 Threshold approach to applications and Policy H6 Affordable housing* tenure set out the approach to affordable housing delivery in London. *It is crucial that the implementation of Section 106 agreements and the outcome of review mechanisms are monitored* (author italics).
6. *Policy H7 Monitoring of affordable housing will ensure that boroughs have monitoring processes in place to implement Section 106 agreements and that the information is in the public domain* (author italics).

[Pathways to London inclusive housing affordability](#) provides more detailed background, data, and analysis relating to the achievement of London Plan housing policy objectives. It underpins the recommendations of this consultation response.

General comments on the purpose and effectiveness of the AMR process

The stated general purpose of the AMR “*to help keep track of key trends*” is limited. Individual policies often do need to be systematically monitored as an integral component of their implementation. HP7 is a clear case in point.

Another problem is that AMR publication is not timely with, for example, the latest AMR advised as available on the GLA website the sixteenth AMR published by the Mayor in March 2021, (AMR 16) providing data for 2018-19 and previous years.

It is recognised that data sources vary and come attached with different time coverage periods. Information is also updated in publications such as the [annual affordable housing monitor](#) and

and [GLA analysis of planning data](#), as well as real time in the case of some AMR tables.

However, that rather begs the question also as to the overall utility of the AMR as a monitoring tool in contrast to a historical compendium of statistics.

Another key issue is the identification and definition of KPI's and their purpose and use as monitoring tools.

Unless they are accurate, relevant, and timely, and are then utilised effectively, they serve little or no useful purpose.

[Housing facts and figures 2004/2005 to 2021 - Southwark Council](#) provides a possible model for a more focused and relevant monitoring housing template.

Housing supply KPI's suffer from problems including accuracy and timeliness of data sources, recording definition issues, and the tendency of supply to be intertemporally lumpy as much is derived from large scale regeneration programmes whose completions can concentrate or bunch in particular years due to the development and public funding cycles.

[Table 4.1](#) of the *London Plan*, accordingly, set ten-year housing targets based on the 2017 London Strategic Housing Land Availability Assessment (SHLAA) and defined in net terms with homes lost through demolition, amalgamations or change of use netted off gross additions to housing supply.

The SHLAA included an assessment of large housing sites (0.25 hectares and above) undertaken in partnership with boroughs, which it advised provided "*the most comprehensive study available of the capital's capacity for housing delivery based on a consistent pan-London methodology*", and, in addition, an assessment of small site capacity using a combination of trend data for certain types of development and an estimate of potential for intensification in existing residential areas.

The differences between borough housing targets also reflect assessed variations in the constraints and opportunities affecting development on large sites and the capacity for development on small sites.

Insofar that the pan-London target of 522, 870 implies an annual average of c52,000 additional net completions a year when, according to the latest [MLHC](#) data, that the latest five year average net completion figure was c37,000. It appears thus in current conditions that it is as aspirational rather than a realistic target.

It follows that targets need therefore not only be to be measured on a rolling average but be related an assessment of actual capacity and the reasons why they are not being met on each individual borough case.

That assessment should be attached with a mechanism to assess and challenge as appropriate such state reasons on an exception reporting agreed format, if possible.

Specific comments and recommendations on AMR housing policy monitoring.

The proposed AMR format defines only two housing KPI's.

KPI One relates to supply of new homes over the Plan period referenced against the requirement of 66,000 net additional new homes needed each year until 2029 – an even more unrealistic target than the one set out in Table 4.1 of the London Plan.

As discussed above, the robustness and utility of the definition and purpose of this KPI is not clear.

KPI Two relates to the trend in planning approvals for housing, expressed as a percentage of affordable housing as a percentage of total housing approvals, based on a rolling five-year 2016-21 average.

It should be referenced to habitable rooms percentage target (which takes account of dwelling size composition and mix) consistent with London Plan HP4.

It should also be supplemented by an additional *KPI Three* referenced to net affordable completions in total and as a proportion of net new total completions taken over a five-year rolling average, with a percentage target referenced and consistent to HP4.

A pan-London annual target of a least 35% affordable would suggest a rolling average of c18,200 affordable dwellings, consistent with London Plan Table 4.1.

KPI Two should also be related an assessment of actual capacity and the reasons why they are not being met on each individual borough case attached with a mechanism for stated reasons to be assessed and challenged as appropriate.

Strikingly, more than 50% of the total 10,800-odd affordable dwellings completed during the last two 2019-21 years were delivered through the nil grant Section 106 route – a progressive increase from the 13.7% recorded in 2014-15.

Affordable housing (HP7) policy, in that light, requires boroughs to have clear monitoring processes to ensure that the affordable housing secured on or off site is delivered and recorded in line with the requisite Section 106 agreement, and to share that monitoring information with the GLA to incorporate within its annual monitoring process, and, to underpin the accuracy of their statistical returns to MLHC.

These returns, should record all individual housing obligations contained in section 106 agreements, and to track them according to whether they are:

- delivered in accordance with the agreement; or,
- remain outstanding; or,
- were cancelled; or,
- differed in quantum and composition to the original agreement.

A new *KPI Four* should monitor whether such a record had been produced by each borough.

A mechanism would need to be defined and agreed as to the criteria for the verification of that record.

