

HOUSING DELIVERY TEST ACTION PLAN

JULY 2019

Housing Delivery Test Action Plan

1	What is the Housing Delivery Test Action Plan?	1
2	Housing delivery in Waltham Forest	2
3	Housing Need in Waltham Forest	3
4	Housing delivery challenges and opportunities	4
5	Actions	11
6	Housing Delivery Test consequences	17
7	Conclusion	18

Appendix

1	How the Housing Delivery Test is measured	19
---	---	----

Contents

1 What is the Housing Delivery Test Action Plan?

1.1 The Government's new National Planning Policy Framework has introduced a new Housing Delivery Test. This measures how many homes have been built out in a local authority area over a three year period. If insufficient homes are delivered, then Councils face a range of consequences, including having to prepare an Action Plan. Waltham Forest has passed the Housing Delivery Test over the last three years, achieving above target – 122%. However, the Council recognises that this will be more challenging to deliver in future and has therefore opted to prepare a Housing Delivery Test Action Plan before being required to – to be proactive.

1.2 Waltham Forest Housing Delivery Test Action Plan sets out the objectives and actions with the aim 'to increase the delivery of new homes across the Borough' to ensure that everyone has 'a decent roof over their heads'.

Aim: To increase the delivery of homes across the Borough

Objectives

1. Stimulate the market to deliver more homes
2. Support the delivery of new homes on strategic locations
3. Encourage the delivery of new homes on small sites
4. Ensure the delivery of genuinely affordable housing
5. Increase the quality of homes delivered
6. Improve the planning process and consistency in decision making

Monitoring

1.3 The Housing Delivery Test will be published annually in November, with Local Authorities expected to produce a Housing Delivery Test Action Plan by April.

1.4 At a local level, the Council will monitor action and delivery of the Housing Delivery Test Action Plan via the Infrastructure and Investment Board on a quarterly basis.

Status of the Housing Delivery Test Action Plan

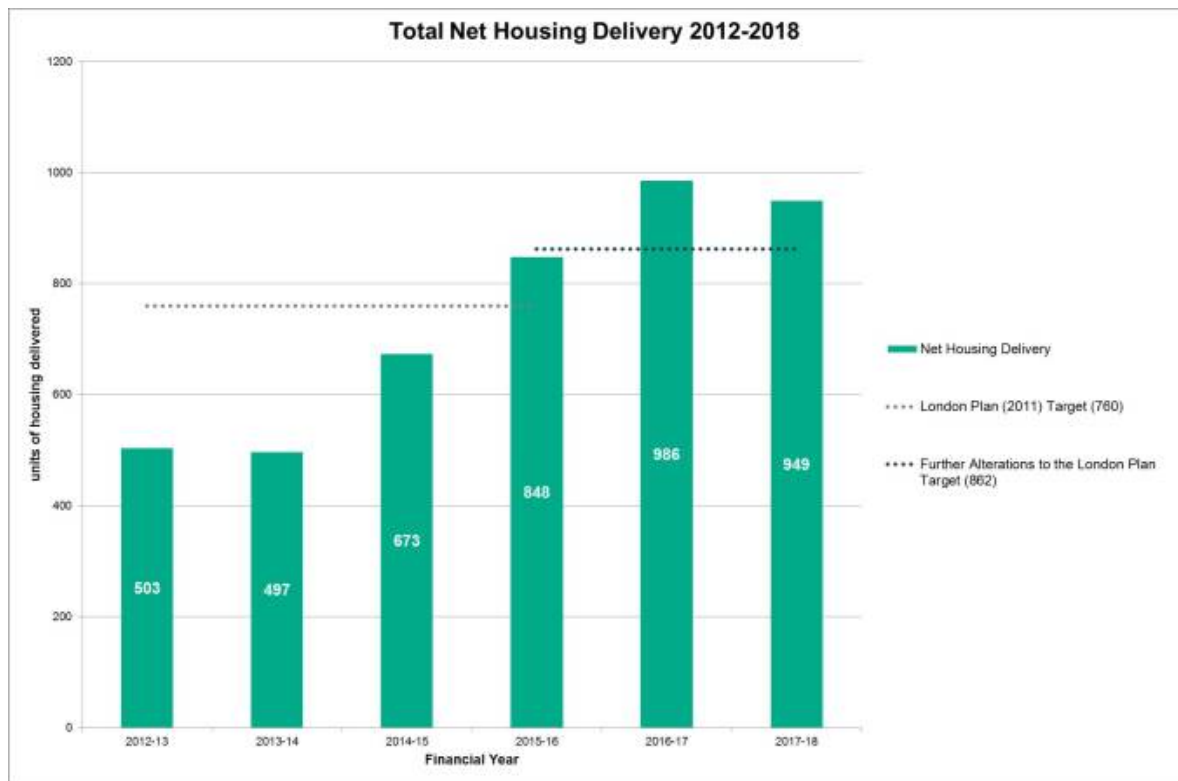
1.5 The Housing Delivery Test Action Plan is a corporate document which relates to how the Planning Service will increase the delivery of new homes and ensure the sufficient supply of land. It links to other corporate strategies, including the Housing Strategy, Economic Growth Strategy, Property Strategy and the Joint Strategic Needs Assessment. The Housing Delivery Test Action Plan does not form part of Waltham Forest's Statutory Development Plan.

2 Housing delivery in Waltham Forest

2.1 To improve future supply of new homes, it is important to understand the past delivery. The following section sets out past delivery of new homes against regionally set targets.

Housing delivery

2.2 Increasing the supply of new homes has been a focus of the Council over the past 3 years. The London Plan sets the Waltham Forest’s housing target. It is currently at 862 new homes per a year, since 2015 this has been exceeded as the graph below demonstrates.



2.3 Waltham Forest’s housing target is, however, set to increase by 108% on the assumption that the Mayor’s Draft London Plan is adopted.

2.4 The borough has also been successful in bringing forward affordable homes. According to the GLA Annual Monitoring Report, over the last three years, Waltham Forest has reported the highest share of affordable housing with average delivery being 47%. However, these levels of affordable housing delivery need to be maintained and there is more to do.

3 Housing Need in Waltham Forest

3.1 As part of producing a new Local Plan and new Housing Strategy, the Council commissioned an update of its Strategic Housing Market Assessment (SHMA). The 2018 Waltham Forest SHMA found that the borough's Objective Assessed Housing Need of 1,810, 69% of this need is for affordable housing. The previous SHMA was undertaken in 2012, which found affordable housing need to be 82%. This means that the need for affordable has reduced.

3.2 In terms of tenure split, at the local level, there is a need for: 31% market, 43% intermediate and 26% low cost rent. Previously in 2012 the split was 18% market housing, 36% intermediate and 46% low cost rent. London-wide, the 2017 GLA SHMA states housing tenure split need is for 35% market, 18% intermediate and 47% low cost rent. LBWF SHMA indicates that there is a strong need for intermediate housing.

3.3 The LBWF 2017 SHMA states that there is a need for 31% 2 beds, 27% 1 beds, 28% 3 beds and 12% 4 bed plus. The Council's 2017 SHMA stated that specialist needs in the borough are for:

- 90 sheltered units for older people; and
- 450 wheel chair units

3.4 No specific need has been identified for purpose built student accommodation in the Council's SHMA 2017. Nor has the SHMA considered the demand for Build to Rent or large scale purpose built shared living housing. However, there is market demand for these types of accommodation.

4 Housing delivery challenges and opportunities

4.1 Waltham Forest has facilitated the delivery of new homes and exceeded the current London Plan target. There is no denying, however, that the 108% increase in Waltham Forest’s housing target presents a challenge for the borough. Current delivery rates indicate that the borough will not meet the Draft London Plan housing target of 1,794 new homes per annum. Potential blockages and challenges need to be outlined with clear actions on how to overcome and mitigate them. Opportunities to increase housing supply need to be identified and taken advantage of. Identifying these and appropriate objectives and actions to undertake will assist the Council in meeting the Government’s Housing Delivery Test and ensuring that everyone has a decent home over their heads.

4.2 The identification of challenges and opportunities for increasing the supply of new homes has been informed by shared learning across Council departments in planning, housing, property and regeneration, including what the Council has learnt from its direct delivery of housing.

Challenges

4.3 There are challenges to delivering the new London Plan target and identified housing need. These are:

- Infrastructure capacity and funding
- Planning Strategy
- Land Ownership

4.4 These are set out in more detail in the table below.

Challenge	Issue	Solutions/ Actions
Infrastructure capacity	<ul style="list-style-type: none"> • Capacity on transport network to support increased housing growth 	<ul style="list-style-type: none"> • Continue to work with TfL on transport network issues including through the Local Implementation Plan, Enjoy Waltham Forest (mini Holland scheme) and Local Plan. Use these to identify alternative transport options including new station at Ruckhold Road,

Challenge	Issue	Solutions/ Actions
		<p>walking, cycling and demand rapid response buses;</p> <ul style="list-style-type: none"> • Ensure new housing growth is aligned with transport projects as part of the Local Plan Review and captured in the Infrastructure Delivery Plan.
Infrastructure capacity	<ul style="list-style-type: none"> • Capacity of social infrastructure to support increased housing growth (e.g. schools, GPs etc) 	<ul style="list-style-type: none"> • Through on-going Duty to Cooperate work, CCG, DfE, education team, identify existing capacity which could hinder housing delivery; • As part of the Local Plan Review, and Duty to Cooperate work, regularly engage with CCG, DfE and education team about future housing growth and infrastructure requirements; Capture requirements in the Infrastructure delivery Plan.
Infrastructure capacity	<ul style="list-style-type: none"> • Capacity of utilities such as water and energy is an issue particularly in key growth areas of Lea Bridge and Leyton. 	<ul style="list-style-type: none"> • Through on-going Duty to Cooperate work, with utility providers, identify existing capacity which could hinder housing delivery; • As part of the Local Plan Review, and Duty to Cooperate work, regularly engage utility providers about future housing growth and infrastructure

Challenge	Issue	Solutions/ Actions
		requirements. Capture requirements in the Infrastructure delivery Plan.
Infrastructure funding	<ul style="list-style-type: none"> The Council has identified an infrastructure funding gap of circa £750 million. Such a funding gap cannot be funded by CIL or Section 106 contributions alone. The routes for external funding at both a national and regional level are oversubscribed. Mayoral CIL is expected to hamper the Council's ability to maximise borough CIL contributions. LBWF has moved up in the Mayoral CIL Bands, meaning that contributions towards Mayoral CIL will increase from £25 to £60 per sqm. The increase will impact on the viability of development sites across the borough, leading to reduced local planning obligations. 	<ul style="list-style-type: none"> Review Local Plan and viability of planning obligations with it as part of whole plan viability; Review Planning Obligations SPD; Review CIL charging schedule.
Planning Strategy	<ul style="list-style-type: none"> Need to update planning strategy to be in line with new growth ambition of the Borough and the Mayor of London. Delivering a suite of development plan documents has proved resource 	<ul style="list-style-type: none"> Produce a single local plan supported by SPDs, Planning Briefs and Masterplans.

Challenge	Issue	Solutions/ Actions
	intensive and slow process and presented challenges when around adaptability and flexibility.	
Planning Strategy	<ul style="list-style-type: none"> The Borough has limited land, and the size of sites available is generally small and in fragmented ownership. 	<ul style="list-style-type: none"> Encourage the delivery of small sites for new homes through the Local Plan Review. Stimulate the delivery of small sites for homes by taking part in Mayor of London’s Small Sites program
Planning Strategy	<ul style="list-style-type: none"> Natural England has raised concerns about the impact of growth and development on Epping Forest, which unless suitable mitigation can be agreed, will affect the delivery of development across the Borough. 	<ul style="list-style-type: none"> Setting up a SAMMs mitigation financial tariff with Epping Forest Conservatory Seek to identify opportunities to deliver SANGs across Waltham Forest and in neighbouring boroughs.
Planning Strategy	<ul style="list-style-type: none"> Tension between housing delivery and safeguarding the vital employment land and associated jobs that are essential to the creation of sustainable and resilient communities. 	<ul style="list-style-type: none"> Consider options for industrial intensification, consolidation and co-location to ensure land optimisation as part of the Local Plan Review.
Land Ownership	<ul style="list-style-type: none"> The borough suffers from fragmented land ownership and there is a need to consider how having an active role in land assembly could enable a coordinated and integrated 	<ul style="list-style-type: none"> Use planning policy to set out vision for areas including Local Plan Review, SPDs, Design Codes, Design Guidance and master plans; Working via the One Public Estate program

Challenge	Issue	Solutions/ Actions
	approach to infrastructure planning.	to consolidate fragmented sites in public sector ownership.

Opportunities

4.5 There are challenges to delivering the new London Plan target and identified housing need. These are:

- Local Plan
- Direct Delivery
- Development Management Transformation Program

4.6 These are set out in more detail in the table below.

Opportunity	Actions
Direct Delivery	The Council is currently increasing its direct delivery of housing through a range of vehicles. This includes its own Local Authority Housing Company, Sixty Bricks and delivery of the Housing Investment Program as set out in the Capital Strategy 2019-2023. Direct delivery presents an opportunity to deliver homes, stimulate and shape the market and understand in greater detail how the market operates.
Local Plan	The Council is working on new Local Plan. A full draft will be consulted on in June. The Local Plan will set out a new spatial strategy and approach for increasing the supply of new homes and meet the increased target and housing need.
Development Management Transformation	<p>The Development Management Service in the planning department is undergoing a transformation program. The Development Management service is seeking to be proactive and commercial in its approach. In recent years it has started to use Planning Performance Agreements and charging for pre-application services to increase capacity in the development management team to deal with the increased number of applications to speed up the delivery of planning consents.</p> <p>There is further opportunity to streamline the planning process through modernising and improving the back office system.</p>

Opportunity	Actions
Gov Tech Catalyst Challenge	The Council has been successful in receiving £1.25m for a project called "Accelerating the delivery of housing using better Geospatial information" which would allow better automated monitoring of housing and provide this information in a clear and more transparent way.

5 Actions

Objective and actions identified have been shaped by an overarching aim to increase the delivery of new homes across the borough, as well as informed by challenges and opportunities Waltham Forest is faced with.

5.1 Six objectives have been identified, each with a series of programs of activity:

Objective 1: Stimulate the market to deliver more homes	Objective 2: Support the delivery of new home as part of strategic locations	Objective 3: Encourage the delivery of new homes on small sites
Objective 4: Ensure the delivery of genuinely affordable housing	Objective 5: Increasing the quality of homes delivered	Objective 6: Improved planning processes and consistency in decision

Objective 1: Stimulating the market to deliver more homes

Action	Timescale	Indicator	Lead
<p>Continue to promote LBWF as a area for inward investment and growth through the Invest Waltham Forest program including:</p> <ul style="list-style-type: none"> • Delegations at key property events e.g. MIPIM and LREF • Using the website as a tool to promote the borough to prospective investors and showcasing the Borough's offer • Investor engagement sessions (e.g. tours, networking) • Growth conferences 	Yearly	<ul style="list-style-type: none"> • number of delegations at key events • number of successful speaking engagements at key events through the year • number investor engagement sessions 	Inward Investment

Action	Timescale	Indicator	Lead
Continue to use the Council's land holdings to deliver new housing, including on major sites via forward funding the provision of new facilities to free up the remainder of sites for new development	In line with timescales set out in: <ul style="list-style-type: none"> Housing strategy One Public Estate Capital Strategy Sixty Bricks Business Plan Asset Strategy 	Delivery of projects within these strategies	Housing, property and regeneration
Continue to work with partners including GLA, Registered Providers and the private sector	On-going and as opportunities arise on: <ul style="list-style-type: none"> Land acquisitions and land assembly Joint ventures Compact agreements 	<ul style="list-style-type: none"> GLA Spending cycles Delivery of sites Registered providers spending cycles 	Housing, property and regeneration

Objective 2: Support the delivery of new homes as part of strategic locations

Action	Timescales	Indicators	Lead
New strategic locations in new Local Plan	In line with the timescales in the Local Development scheme	Delivery of consultation milestones	Planning
Introduce partnerships boards through memorandums of understanding (MOUs) on strategic locations with land owners and developers	TBC	Delivery of MOUs	Regeneration

Action	Timescales	Indicators	Lead
Monitoring the delivery of new homes in strategic locations	Yearly	Authority Monitoring Report indicators	Planning
Deliver master plans, Area Investment Plans, Supplementary Planning Documents and Planning Briefs for strategic locations	In line with the timescales in the Local Development Scheme	Delivery of policy document	Planning and regeneration
Deliver master plans, Area Investment Plans, Supplementary Planning Documents and Planning Briefs for strategic locations	In line with the timescales in the Local Development Scheme	Delivery of the Infrastructure Delivery Plan	Planning

Objective 3: Encourage the delivery of new homes on small sites

Actions	Timescales	Indicators	Lead
Consider new policies that support the delivery of small sites through the Local Plan Review	In line with the timescales in the Local Development Scheme	Permission issued	Planning
Continue with the Council garage home building program	On-going	Delivery of project	Housing
Selling sites via the GLA small sites auctioneer sites	On-going	<ul style="list-style-type: none"> Contracts Growth in numbers of SME construction businesses 	Housing and property

Actions	Timescales	Indicators	Lead
Work with business team to build capacity in the local construction SME sector to encourage them into to deliver homes on small sites	On-going	<ul style="list-style-type: none"> number of small sites on the register number of planning permissions number of completions deliver of the Achieve centre 	Business and employment, housing, regeneration, property and planning
Use the Brownfield Register Land to promote small sites	Update on annual basis	publication of the Brownfield Land Register	Planning

Objective 4: Ensuring the delivery of genuinely affordable housing

Action	Timescale	Indicators	Lead
Adopting the Draft London Plan approach to affordable housing e.g. the threshold approach to viability	In line with the Local Development Scheme	Delivering 35% affordable housing	Planning and housing
Delivering 50% affordable housing across the portfolio of Council-owned development sites	On-going through the delivery of the housing portfolio	Delivery of 50% affordable housing across the Council's portfolio	Regeneration, property and housing
Deliver 30% social rented units across Sixty Bricks portfolio	On-going	Delivery of 30% social housing across the portfolio	Housing and property
Planning obligations scoping analysis	Work has been undertaken as part of the Community Infrastructure Charging Schedule Review and will be done as part of Local Plan Whole Plan Viability	<ul style="list-style-type: none"> Whole plan viability Review of the Planning Obligation Supplementary Planning Document Community Infrastructure Review 	Planning

Action	Timescale	Indicators	Lead
Continue to collaborate and partner with the GLA, other London Boroughs, Register Providers and private sector on affordable housing	<ul style="list-style-type: none"> On going Timescale outlined in Compact Agreement 	Increase in affordable housing	Planning and housing

Objective 5: Increase the quality of homes delivered

Action	Timescale	Indicators	Lead
Applying for the GLA Home Builders Fund to get design advice specifically related to housing	Completed and awaiting results	appointment of contractors	Housing
Working with Public Practice to find additional urban design resource to support the Design and Conservation Team	1 year	Public Practice Associate in post	Planning
Commissioning a Characterisation and Intensification Study to inform new Design Policies in the new Local Plan and a new Urban Design Supplementary Planning Document	End of May	Publication on website	Planning
Develop council design standards	On-going	Increased design quality	Housing and property
Encourage the use of our Design Review Panel, which calls on industry experts to provide high quality design advice to developers	In line with the Local Development Scheme	Increase use in the Design Review service	Planning

Objective 6: Improved planning processes and consistency in decision making

Action	Timescale	Indicators	Lead
Undertaking a review of the development management service and implementing a transformation strategy	In accordance with the Development Management Transformation Plan	Delivery of the Development Management Transformation Plan	Planning
Undertake an analysis to understand the total length it takes to deliver an implementable planning permission including how long it takes to discharge conditions and to complete Section 106s	Part of the Development Management Transformation Plan	Delivery of the Development Management Transformation Plan	Planning
Understand the capacity of other departments that support the delivery of planning applications process e.g. providing comments	In accordance with the Development Management Transformation Plan	Delivery of the Development Management Transformation Plan	Planning

6 Housing Delivery Test consequences

6.1 If Waltham Forest fails to meet the Housing Delivery Test in future years, there are consequences. One of the consequences is to produce a Housing Delivery Test Action Plan. The other is; where delivery of housing is substantially below the housing requirement, planning applications will be assessed against 'the presumption in favour of sustainable development' set out in paragraph 11 of the NPPF. Essentially, this means that Council will not have a local say over planning applications, as it will not be able to use its Development Plan.

6.2 NPPF paragraph 215 defines the thresholds for substantially below the housing requirement to as:

"a) November 2018 indicate that delivery was below 25% of housing required over the previous three years;

b) November 2019 indicate that delivery was below 45% of housing required over the previous three years;

c) November 2020 and in subsequent years indicate that delivery was below 75% of housing required over the previous three years."

6.3 6.6 The Council therefore considers it good practice to prepare this Housing Delivery Test Action Plan ahead of any formal requirement to do so. Waltham Forest is proactively seeking to maximise delivery to meet identified housing need in the borough. The Housing Delivery Test Action Plan seeks to establish any causes for under delivery and identify how this can be addressed to increase delivery of identified housing need, in line with Government guidance.

7 Conclusion

7.1 Waltham Forest needs to continue to deliver new homes in the same vain as it has in the past three years. By following the Actions the aim is to further increase the delivery of new homes to ensure that Waltham Forest retains its full planning powers and avoids sanctions from central government when the next Housing Delivery Test is published by the Ministry for Housing, Communities and Local Government.

1 How the Housing Delivery Test is measured

1.1 The method for calculating the Housing Delivery Test is set out in the 'Housing Delivery Test measurement rule book' and the Planning Practice Guidance. London Boroughs, such as Waltham Forest, will be monitored against an individual borough target. The data used to assess delivery is MHCLG statistics for net additional dwellings over a rolling three year average, with adjustments for net student (at a ratio of 2:5) and net other communal accommodation (at a ratio of 1:8). It is a percentage measurement of the number of net homes delivered against the number of homes required.

1.2 The latest adopted housing target for Waltham Forest is 862 dwellings per annum, as set out in the 2015 Further Alterations to the London Plan. The Housing Delivery Test results published in November should use this to measure how many homes have been successfully built out across the borough.

1.3 In 2019 - 2020 the Council's housing target is likely to change because of changes in national and regional planning policy. There are two possible targets:

- 1794, as set out in the Draft London Plan due to be adopted by the end of 2019
- Different target set under the national standardised methodology for assessing local housing need which is currently being updated by MHCLG. The update is likely to be consulted on in early January 2019

1.4 LBWF undertook a Strategic Housing Market Area Assessment (published 2017), which identified the borough's objectively assessed housing need as 1810. The figure is close to the Draft London Plan target and we are therefore planning for 18,000 homes over the next 10 years.

1.5 As set out in the NPPF Housing Delivery Test penalties, if LBWF under delivers the Government can add buffer to the Council's target, to increase its housing target further.

1.6 The current standard methodology for housing need is undertaken using Office of National Statistics (ONS) household projections. 2012 based household projections will be used to calculate 2015 and 2016 years, using the annual average take for years 2015-2025 and 2016-2026. 2014 based household projections will be used to calculate 2017, using the annual average taken for years 2017-2027. After this period, the minimum annual local housing need figure will begin to be used to measure delivery in subsequent years. These projections have been lower than expected and as stated, MHCLG are adjusting the methodology to be consistent with ensuring that 300,000 homes are built per year by the mid 2020's.