



‘Shaping the Borough’ - Waltham Forest Local Plan (LP1) Examination

Response to the Inspectors’ Matters, Issues & Questions

Matter 3: Housing Land Supply and Boroughwide Housing Policies

January 2022

Issue 1 - Whether the Plan will provide for a sufficient housing land supply to deliver the planned scale of housing growth over the plan period and whether a deliverable five-year supply of housing will be available on adoption (Policies 2 - 12)?

Note – the Council has updated the land supply information in its Housing Position Statement [LPE9]

Q50 Is the Plan consistent with the expectation of NPPF Paragraph 68 for planning policies to identify a sufficient supply of specific, deliverable sites for years 1-5 of the plan period and specific, developable sites or broad locations for growth for years 6-10 and where possible for years 11-15?

In particular:

i. Having regard to the Planning Practice Guidance, what is the estimated total supply of deliverable and developable new housing during the Plan period 2020–2035? What is the estimated supply from each of the following sources during the Plan period:

The estimated total developable supply across the plan period (as proposed to be modified¹) is approximately 30,740 units. This is evidenced with reference to specific developable sites and a justified windfall allowance.

The deliverable supply identified for the period 1 April 2022-31st March 2027 is 10626 units. This is broken down further in LPE9 – Housing Position Statement², and below.

a) Sites with detailed planning permission for 10 or more dwellings

4563 units. In addition to the 1315 units which are identified in LPE9 as being deliverable as they benefit from detailed planning permission, a further 3248 units which are also proposed Site Allocations share this status and are included here.

b) Sites with outline or detailed planning permission for 9 or less dwellings (small sites)

¹ The modified plan period being 2020-2037 to bring the plan in line with the requirement at paragraph 22 of the NPPF for a plan period of at least 15 years from adoption, as outlined in response to Q29(iii).

² LPE9 – Housing Position Statement September 2021, available at: https://www.walthamforest.gov.uk/sites/default/files/2021-11/LPE9%20Housing%20Position%20Statement_September%202021%20%28002%29.pdf

590 units. There are 250 small sites (of 9 or less units) which are considered to be deliverable in principle. These sites are detailed in Appendix I of LPE9.

c) Windfall allowance

1050 units. An assumption on windfall development is taken consistent with past trends (taken over a 15-year period). This amounts to an assumed net 350 units per year. This is applied to the fourth year forward, following the end date for live permissions being added to the permission component.

This reflects the assumption that completion will occur somewhere between approximately 2 and 3 and a half years following a decision being issued (based on the average time taken for units to complete from decision date), so to avoid double counting no assumed component is added until Year 4. There is additional certainty that this can be achieved, as the Growth Capacity Study provides granular detail on sites which could be developed to facilitate the continuation of this trend.

d) Other sites with outline planning permission for 10 or more dwellings, site allocations, and sites on the brownfield register.

4423 units. As outlined in (i)(a), above, 3248 units which were counted as proposed Site Allocations in LPE9 are here identified in as sites which benefit from detailed planning permission. A further 538 units have approval subject to Section 106, and another 750 have outline permission.

ii. What evidence is there to support the estimates in i. and are they justified? Is there compelling evidence to support the windfall allowance and is it generally comparable to the Borough's 'small sites' figure in Table 4.2 of the London Plan?

In addition to the definition at Annex 2, the nature of evidence which can be provided as justification for the estimates of deliverable supply is set out in PPG³. The capacity outlined above at (i)(a) and (i)(b) can be considered deliverable in principle unless there is clear evidence to the contrary. Where units are not considered deliverable in principle by virtue of their planning status, in line with PPG, capacity has been included where applications have been submitted and there is an understanding of the intended implementation timeline. The Council considers that this should be accepted in line with the PPG list's inclusion of 'firm progress being made towards the submission of an application'. Additionally, capacity from Council-led developments is included, in line with the

³ PPG paragraph 68-007-20190722

published expectations of the programme⁴. A small amount of capacity is assumed from sites which were assessed as deliverable through site assessment carried out to understand land availability and total supply in the Growth Capacity Study⁵. It is acknowledged in PPG that plan-makers can use the Housing and Economic Land Availability Assessment in demonstrating the deliverability of sites.

The London Plan includes a 10-year target for 2019/20-2028/29 of 3,590 new homes on small sites for Waltham Forest, or 359 per annum. In assuming a future source of supply from windfall small sites, a conservative approach has been taken, and the 15-year trend used in order to cover a period of significant change in market in conditions, in order to be cautious in light of potential future trends⁶. This amounts to 350 units net per annum, which is generally comparable to the 359 target of the London Plan. A shorter term projection would yield a greater figure, with the 5-year trend at 386 units. There is additional certainty that this can be achieved, as the Growth Capacity Study provides granular detail on sites which could be developed to facilitate the continuation of this trend. The Council can therefore have confidence that there is evidence to support the use of a windfall allowance as a component of supply.

⁴ A number of webpages detailed for each development site and area, available at: <https://www.walthamforest.gov.uk/regeneration-and-growth/regeneration-projects-and-developments>

⁵ Growth Capacity Study, 2018, available at: https://www.walthamforest.gov.uk/sites/default/files/2021-10/LBWF%20Growth%20Capacity%20Study%2C%202018_0.pdf

⁶ In line with paragraph 71 of the NPPF.

Q51 Can the submitted Plan specifically demonstrate a deliverable five-year supply of housing land at adoption and, if so, is there a reasonable prospect of this being maintained throughout the Plan period? In particular:

The Housing Position Statement [LPE9] outlines the Council's position that it is able to demonstrate a supply of deliverable housing sites in excess of 5.45 years with a base date of 1 April 2022. As outlined in relation to Q46, the housing trajectory has been developed to ensure that there is a clear understanding of the projected performance against the Housing Delivery Test, and in terms of Five Year Housing Land Supply (5YHLS) over the plan period⁷. The trajectory demonstrates that with the phasing and capacity attributed to the sites composing the trajectory, the borough is expected to be able to meet the Housing Delivery Test in every year to 2029-30, and maintain a 5YHLS inclusive of an appropriate buffer throughout the plan period. This will be closely monitored.

i. What is the requirement for the first five years following adoption of the Plan and what buffer should be applied?

The stepped housing requirement means that the requirement is proposed to vary across the first five years of the plan. The reference five year period is from 1 April 2022 to 31 March 2027. The requirement figure is 8850 for the reference period, plus or minus the shortfall/surplus (to be confirmed, at 31st March 2022), with a 10% buffer to be applied. This is calculated from two years of a housing requirement of 1264 (2528), one year of 1770, and two years of 2276 (4552).

The addition of a buffer to amount to 10% is justified and consistent with national policy as the Council intends demonstrate a five year supply of deliverable sites at adoption in line with NPPF paragraph 74 part B. There has been no significant under-delivery over the past three years, and so a 20% buffer is not required.

ii. Would accounting for previous surplus housing delivery in calculating the five-year housing land supply be justified and consistent with national policy and the Planning Practice Guidance? Would the conclusions of

⁷ As outlined in [LPE10] – Housing Trajectory Summary, available at: <https://www.walthamforest.gov.uk/sites/default/files/2021-11/LPE10%20Housing%20Trajectory.pdf>

the Council's Housing Position Statement [LPE9]
change if surplus is not accounted for?

The recent High Court Judgement in *Tewkesbury Borough Council v Secretary of State for Housing Communities And Local Government*⁸ confirms that the question of accounting for previous surplus housing delivery when calculating five-year housing land supply is a question of planning judgement, which is not addressed by the NPPF, or by PPG. There is no national policy which directly deals with the matter.

The use of a stepped trajectory, which this plan proposes, is a recognised response to the problem of phased and uncertain delivery. The stepped trajectory enables authorities to increase their housing requirements in particular years to better match the phasing of strategic sites. The profile of the proposed stepped housing requirement serves to ensure that the requirement for delivery in each year is deliverable and does not impose a requirement which would lead to a penalty as a result of under-delivery. The justification for the use of for the stepped trajectory is the considerable uplift in the required level of housing delivery which is proposed by the plan. The Council is seeking to meet its housing needs as fully and as promptly as is practicable and deliverable. Were however the delivery of new homes to be achieved in a more peaky manner than the relatively smooth projected increase, in a hypothetical scenario where one large scheme completes ahead of schedule, a substantial quantum of new homes which would otherwise be counted as part of the total supply against requirement will not be counted.

It is not the case that the Council is seeking to delay meeting identified needs, quite the opposite, however it is important that units which are delivered as part of a plan-led strategy to increase supply are then actually factored into supply, or else modifications to the planned requirement will be necessary to ensure deliverability and soundness of the strategy. Where the *Tewkesbury* case failed as a result of concern about the shape of the future trajectory of housing land supply, the borough's projected performance outlined in the submission pack at LPE10 – Housing Trajectory Summary should remit any such similar concerns. It is not that a past glut of supply is artificially delaying the onset of a response in the form of the tilted balance to assist in bringing forward more supply, but that a planned increase has occurred sooner than might have been expected. The challenges in predicting the delivery of schemes 5-10 years into the future

⁸ [2021] EWHC 2782 (Admin), [2021] WLR(D) 530, available at:
<https://www.bailii.org/ew/cases/EWHC/Admin/2021/2782.html>

lead the Council to consider an assumed application of an accounting approach that includes past delivery in this context consistent with a policy environment which supports growth. It is the same logic which allows for a stepping of the housing trajectory, but more flexibly applied. The borough needs flexibility in order to confidently plan for growth, or else will be required to take a more conservative position and adjust down the planned requirement in order to ensure that penalties are not incurred.

Q52 Overall, would at least 10% of the housing requirement be accommodated on sites no larger than one hectare as set out in NPPF paragraph 69?

Yes. The housing trajectory assumes a continuation of windfall sites of less than 0.25 hectares to be delivered amounting to 350 per annum (a continuation of the 15-year trend). This alone amounts to a component of supply which exceeds 10% (around 14%). In addition, there are a number of sites which are assessed as being developable by the GCS, and over half of the sites proposed as allocations, which have a site area of less than one hectare.

Q53 How does the projected annual level of housing growth compare with recent housing delivery? In particular:

The increase in delivery which is projected and required in order to meet the borough's proposed housing target involves a considerable uplift from the current level of housing delivery. The current level of housing delivery is around 1000 units per annum⁹ (across the period 2016-2021). The proposed requirement averaged across the whole plan period is 1800 net units per annum.

i. Is the Plan's housing trajectory and stepped housing requirement justified and effective?

National guidance states 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'.¹⁰

The London Plan encourages boroughs to set a realistic and, where appropriate, stepped housing delivery target¹¹. The use of a stepped housing requirement is proposed in this plan as a response to the significant change in the level of requirement between the previous housing policy, which was a target of 862 new homes per annum, and in order to best match the expected delivery timetable of a number of strategic sites which will deliver inconsistently across the plan period.

The Council considers that the stepped housing requirement is a justified response to the meeting as far as possible the high level of housing need which exists, in a way which remains deliverable.

ii. Should the stepped housing requirement be set out within Policy 12?

Yes. A modification is proposed to this effect [SOPC025].

⁹ London Borough of Waltham Forest Authority Monitoring Report – Housing 2020-21, 2021, Table 5 - p.6, available at:
<https://www.walthamforest.gov.uk/sites/default/files/2021-12/Authority%20Monitoring%20Report%20-%20Housing%202020-21.pdf>

¹⁰ <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>
Paragraph: 034 Reference ID: 3-034-20180913

¹¹ The London Plan, 2021, paragraph 4.1.10, p.161, available at:
https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

Q54 Overall, is the Plan's approach to housing supply and the housing trajectory positively prepared, justified, effective, consistent with national policy, and in general conformity with the London Plan?

The Council considers that the approach to housing supply has been developed in a manner consistent with national policy, and is positively prepared, justified and effective. It is supported by well-developed evidence which has been prepared in line with national guidance and direction from the London Plan.

Q55 In terms of this issue, are any main modifications necessary for soundness?

Yes, as identified in response to the questions above.

Issue 2 - Whether the Plan is positively prepared, justified, effective, consistent with national policy, and in general conformity with the London Plan, in relation to general housing policies (Policies 13 - 24).

Policy 13 – Delivering Genuinely Affordable Housing Policy 14 – Affordable Housing Tenure

Q56 What evidence is there to demonstrate the need for affordable housing in terms of numbers of units and tenure?

The evidence which supports the overall level, and type of affordable housing need in the borough is the Waltham Forest Strategic Housing Market Assessment¹² (SHMA), in conjunction with the London-wide SHMA¹³.

The London-wide SHMA identifies a need for 66,000 additional homes per year from 2016 to 2041 and closely follows the methodology of the 2013 version which was endorsed by the FALP Inspector. The Panel report concluded that its findings are the best and most reliable ones for plan making in the London Plan to be based on, and that the need for 66,000 additional homes per year identified by the SHMA is justified and has been properly calculated for market and affordable housing having regard to national policy and guidance.

The London-wide SHMA identifies need for affordable housing in London as being particularly acute and representing 65% of overall housing need. Local evidence highlights that in Waltham Forest, this picture is similar, with the Waltham Forest SHMA identifying an affordable housing need for Waltham Forest of 1278 per year, or 71% expressed as a proportion of the overall OAN. This assumes clearing backlog affordable housing need over a 20-year period.

In terms of tenure, both of these documents provide an assessment of the tenure requirements to meet the housing needs identified. The GLA SHMA outlines that 47% of all new housing would need to be 'low cost rent' (social rent and Affordable Rent) and 18% intermediate (e.g. shared ownership and London Living Rent), based on standard affordability tests (with 35% as market). Rather than integrating the backlog and affordable housing need into the model so that need across dwelling size and tenure mix can be presented as a single table (as is the case with the GLA SHMA), the Waltham Forest SHMA provides separate analysis for bedroom size requirements for the overall OAN and for affordable need. The

¹² Waltham Forest Strategic Housing Market Assessment, 2017, available at:

¹³ London Strategic Housing Market Assessment, 2017, available at:
https://www.london.gov.uk/sites/default/files/london_shma_2017.pdf

Waltham Forest SHMA finds that around 45% of the net future annual affordable housing need is for housing at social rented sector rent levels, with about 2% of demand for housing at London Affordable Rent levels, and 53% for intermediate tenures.

Q57 What is the basis for the headline aim of the delivery of 50% genuinely affordable housing in Policy 13?

The 50% target outlined in Policy 13 is consistent with London Plan Policy H4 and reflects the identified affordable housing needs of the borough. The target proposed strikes a balance between the requirement to meet the full objectively assessed need for both market and affordable housing, and the requirement to not impose cumulative burdens that could put delivery of the Plan at risk.

i. Is it clear what is meant by 'genuinely affordable housing' in Policy 13?

The Mayor is clear that by “genuinely affordable homes” he means homes based on social rent levels for Londoners on low incomes, including London Affordable Rent; London Living Rent, homes aimed at average-income Londoners with discounted rents pegged to incomes, enabling them to save for a deposit; and London Shared Ownership homes which allow Londoners who would otherwise struggle to buy to purchase a share in a new home and pay rent on the remaining share¹⁴.

This is a definition which is included at 8.11 of the Local Plan. The Council considers that a minor modification to the supporting text would clarify the status of this list.

MODIFICATION: Genuinely affordable homes includes **are defined as homes for** social rent, London affordable rent, London Living Rent and London Shared Ownership. **Other affordable housing products may be acceptable if, as well as meeting the broad definition of affordable housing, they also meet the London Housing Strategy definition of genuinely affordable housing**¹⁵.

ii. Is there viability evidence to support the overall 50% affordable housing target and the thresholds set out in Policy 13 criterion Ci?

Yes. The Local Plan Viability Study appraised residential schemes with a range of affordable housing from 0% to 50%, testing the impact of Policy 13, which is in line with the London Plan Policy H5 Threshold approach to applications, seeks to maximise affordable housing delivery through a

¹⁴ London Housing Strategy, 2018, available at:
https://www.london.gov.uk/sites/default/files/2018_lhs_london_housing_strategy.pdf

Mayor Sadiq Khan, Mayor's Question Time, 2018, available at:
<https://www.london.gov.uk/questions/2018/2448>

¹⁵ London Housing Strategy, 2018, 4.12-4.13, p.102. available at:
https://www.london.gov.uk/sites/default/files/2018_lhs_london_housing_strategy.pdf

35% minimum target with an overarching 50% target. The Study concludes on affordable housing that the results of viability testing do not point to any particular level of affordable housing that most schemes can viably deliver. It is therefore recommended that the target in Policy 13, be retained and applied on a 'maximum reasonable proportion' basis taking site-specific circumstances into account.

The thresholds are specified in the London Plan, and have not been re-examined by the evidence to support this local plan. However, the London Plan Inspectors found that as they have been tested through the LPVS and found to be generally viable, the thresholds amounted to a reasonable and justified approach¹⁶.

iii. How will the 50% target be achieved given the minimum 35% initial threshold in criterion Ci?

Policy H4 identifies the mechanisms at a London level, which will be sought to achieve this aim. It is not expected to be delivered solely through planning obligations, but through a number of means, including the Council's build programme, its housing development company Sixty Bricks, and working with other public bodies such as One Public Estate, the Mayor, and registered providers to support increases in provision. As a challenging strategic target, it is indicative of the priority that the Council places on building new affordable homes.

iv. What is the past record of delivery of affordable housing in the Borough and how will future delivery be achieved?

The borough has consistently delivered affordable housing, and over the previous plan period, 35% of total housing delivery has been affordable, at 2631 of a total 7482 net units¹⁷. There are currently a total of 1,031 Social Rent homes either being built or that have approval¹⁸ in the borough. There are 1650 units of other types of affordable housing with the same status.

The Council considers that there is a good prospect of increased delivery of affordable housing to move closer to achieving the strategic target of 50% over the plan period.

¹⁶ London Plan Examination in Public: Panel Report, 2019, available at: https://www.london.gov.uk/sites/default/files/london_plan_report_2019_final.pdf

¹⁷ London Borough of Waltham Forest Authority Monitoring Report – Housing 2020-21, 2021, available at: [website](#)

¹⁸ Including those approved by Planning Committee subject to s106.

v. Is there sufficient flexibility in the policies?

The “viability tested route” provides a pathway to achieve planning permission for schemes that cannot meet the relevant threshold requirements for genuine viability reasons. The Council considers that this provides for a sufficiently flexible policy. Revisions to the NPPF and PPG have made explicit that prices paid for land should not be used as a justification for not delivering fully on policy requirements. The Viability Study supporting the Local Plan has assessed the total cost of all of the Plan’s policies against representative site typologies. The Local Plan Viability Study considers that the Plan “*strikes an appropriate balance between delivering affordable housing, sustainability objectives, necessary infrastructure and the need for landowners and developers to achieve a reasonable return*”¹⁹. There remains flexibility for applicants to submit viability assessments at the planning application stage, but this need to be justified, and will not enable proposals to escape requirements of planning policy.

¹⁹ Local Plan Viability Study [KD13.1], p.140

Q58 Is Policy 13 criterion E sufficiently clear about when off-site provision or payment in lieu will be accepted and how such payments would be calculated?

Criterion E outlines the Council's position on alternatives to on-site affordable housing provision, which is that in exceptional circumstances the Council will accept off-site or payment-in-lieu instead of on-site provision, but only where this leads to an improved outcome in terms of delivering housing which better meets the borough's housing need. Consistent with national policy, the expectation remains that affordable housing will be provided on site.

This policy is in line with Policy H4 of the London Plan - *Delivering affordable housing*. Guidance on how the threshold approach should be implemented is contained in the London Plan Affordable Housing and Viability Supplementary Planning Guidance (SPG). The SPD pre-date the adoption of the London Plan, but were 'saved' as they remain relevant.

In line with this guidance, off-site affordable housing requirements will be calculated by reference to the total housing provision on the main development site and any linked sites providing off-site affordable housing. For the purposes of the initial assessment and viability reviews the policy target would equate to 50 per cent affordable housing provided across the main site and any linked sites providing affordable housing when considered as a whole.

The starting point for determining in-lieu contributions should be the maximum reasonable amount of affordable housing that could be provided on-site as assessed through the Viability Tested Route. The value of the in-lieu contribution should be based on the difference in Gross Development Value arising when the affordable units are changed to market units within the appraisal. This is to ensure that where the on-site component of market housing is increased as a result of the affordable contribution being provided as a cash in-lieu payment, this does not result in a higher assumed profit level for the market homes within the assessment which would have the effect of reducing the affordable housing contribution.

The maximum value of any in-lieu contribution, for the purposes of the initial assessment and viability reviews (the policy cap), will be based on the equivalent of 50 per cent affordable housing provision. As with off-site affordable housing provision (see above), the target

will be a percentage of the on-site market housing taken together with additional affordable housing provided off-site.

The London Plan Inspectors considered this approach to be *'necessary to ensure mixed and balanced communities and to provide greater certainty on speed of delivery'*²⁰

The Council proposes that following adoption of a new Local Plan, an update to the current Affordable Housing and Viability SPD²¹ should be undertaken in order to provide additional guidance and clarity.

²⁰ London Plan Examination in Public: Panel Report, 2019. page 47, available at: https://www.london.gov.uk/sites/default/files/london_plan_report_2019_final.pdf

²¹ Affordable Housing and Viability SPD, 2018, available at: https://www.walthamforest.gov.uk/sites/default/files/2021-11/affordable_housing_and_viability_spd_-_adopted_2018.pdf

Q59 What is the basis for the approach to tenure split in Policy 14 and is this justified? Does "...schemes of 10 or more units" in Policy 14 mean the same as "...development involving the addition of 10 or more units..." in Policy 13? Is this sufficiently clear?

London Plan Policy H6 - *Affordable housing tenure* indicates that London boroughs should as a minimum apply a proportion of 30% of affordable housing to be low-cost rented homes, and 30% to be intermediate products meeting the definition of genuinely affordable. There is flexibility for boroughs to determine the allocation of the remaining 40% of affordable housing based on identified need.

In addition to the London-wide SHMA which is the substantial basis for Policy H6, the Waltham Forest SHMA is able to provide evidence to support the allocation of the remaining 40% as indicated in the policy. The Waltham Forest SHMA finds that around 47% of the net future annual affordable housing need is for low-cost rented housing, and 53% for intermediate tenures.

The basis for apportioning the remaining 40% of affordable housing entirely to low-cost rented tenure is that this group experiences the most severe housing need, and prioritising the delivery of low-cost rented homes will have the greatest benefit for residents of the borough. This is aligned to the objectives of the Council's Housing Strategy²².

There is an intended equivalence between the criteria in Policies 13 and 14. To aid the interpretation of these policies, and to clarify the threshold for engaging affordable housing requirements, the Council proposes a modification to Policy 13 [SOPC026].

MODIFICATION: A. Requiring all development ~~involving the addition~~ of 10 or more units to deliver affordable housing;

²² Housing Futures: A Decent Roof for All - Waltham Forest Housing Strategy 2019 – 2024, 2019, available at:
<https://www.walthamforest.gov.uk/sites/default/files/2021-11/Waltham%20Forest%20Housing%20Strategy%202019-24.pdf>

Q60 In the light of the Written Ministerial Statement of 24 May 2021 regarding First Homes, would a requirement for early review of the Plan's policies relating to affordable housing be necessary?

Whilst LP1, as it was submitted for examination before 28 June 2021, is not required to reflect the First Homes policy requirements, the Council appreciates that it will be necessary to provide guidance on the implementation of First Homes.

However, it is not considered necessary to require an early review of the plan's affordable housing policies, because as indicated by guidance²³, the Council can take a flexible approach to accepting First Homes where proposed by applicants whilst an updated policy approach is established. There are a number of factors to consider when developing a local approach to First Homes, and the Council considers that this may best be achieved at the same time as a review of the Plan's housing policies and supporting evidence, informed by the 2021 Census.

²³ National Planning Practice Guidance, Paragraph 020 Reference ID: 70-020-20210524

Q61 Are Policies 13 and 14 consistent with the NPPF in respect of all types and tenures of affordable housing and are they in general conformity with the London Plan?

As outlined in the London Plan, the NPPF defines affordable housing for planning purposes. Within this broad definition, sections 4.6.3 - 4.6.9 of the London Plan set out the Mayor's preferred affordable housing tenures and other genuinely affordable housing products. Further clarification, as provided in response to Q57, should ensure that confidence can be had that the approach is consistent with the NPPF, and is in general conformity, following from the approach outlined in the London Plan.

Policy 15 – Housing Size and Mix

Q62 What is the basis for the mix of housing sizes sought in Policy 15 and is it justified? Is the policy's preferred housing size and mix consistent with delivery of 27,000 new homes and the approach to intensification and increasing housing density set out in the Plan's spatial and growth strategy?

The Waltham Forest SHMA provides a local assessment of housing need, and breaks down the size, type and tenure requirements for new housing provision in line with paragraph 61 of the NPPF.

An Objectively Assessed Need (OAN) for the borough is calculated at 1,810 dwellings per annum over the period 2014-2039. Future dwelling size requirements have been estimated for the OAN, assuming that the current pattern of occupancy by households of each type remains the same based on London level occupancy data from the English Housing Survey (2010-14). In terms of need across the whole OAN, the Waltham Forest SHMA identifies a need for primarily 2 and 4+ bedrooms to be provided.

However, at the level of its affordable components, the annual need which the SHMA identifies at Table 8.12²⁴ breaks down quite differently. A significant amount of the total need expected for 3+ beds is attributable to intermediate housing products. Intermediate housing prices and associated costs have increased considerably in recent years, and requiring provision of more intermediate property that is more likely to be unaffordable even at the initial share of 25 or 35% runs counter to the

²⁴ Waltham Forest Strategic Housing Market Assessment, 2017, p.160, available at: https://www.walthamforest.gov.uk/sites/default/files/2021-10/SHMA%20-%20Final%20Revised%2025-02-19_0.pdf

objectives of the borough's Housing Strategy to prioritise delivery of low-cost rented homes which will have a greater impact on the housing choices available to residents of the borough²⁵. The GLA's Affordable Housing and Viability SPG outlines that 'generally shared ownership is not appropriate where unrestricted market values of a home exceed £600,000'²⁶. Within this range, the guidance suggests, LPAs should ensure that a full range of dwelling types in terms of a mix of sizes is provided for. This is linked to a maximum income of £90,000 per household, to potentially meet the shared ownership affordability test, with a theoretical ceiling set on the market value of a property which could be afforded, at £674,600 with 25% equity, or £617,300 with a 35% share²⁷. Incomes towards the top of this range are required to be able to meet the affordability tests for these intermediate products. The Council considers that in light of gross incomes of nearly £60,000 required to afford an average market value shared ownership home in Waltham Forest²⁸, those larger units with 3+ bedrooms towards the higher end of the price spectrum will potentially exceed the £600,000 price point and require household incomes of nearing £100,000. *Statistics on average transactions by bedroom size requested from ONS*. In order to better reflect this in the policy mix, intermediate rent and intermediate ownership have been split, and a greater proportion of 3+ beds allocated to rent.

Overall, it is considered that there is a reasonable fit between the housing mix which is proposed in Policy 15 and the evidence which supports it in the form of the SHMA. Additional evidence from the GLA SHMA demonstrates through sensitivity testing that changing the assumptions made about levels of future under-occupation can lead to considerable variation in the size mix requirements. Policy 15 articulates a mix which responds to both the overall need for housing of particular sizes, and evidence about the size requirements of particular tenures.

The Council considers that in relation to a large amount of the capacity which is identified to be delivered on strategic sites, confidence can be had that the density assumed is consistent with the dwelling size mix, as

²⁵ Housing Futures: A Decent Roof for All - Waltham Forest Housing Strategy 2019 – 2024, 2019, available at:

<https://www.walthamforest.gov.uk/sites/default/files/2021-11/Waltham%20Forest%20Housing%20Strategy%202019-24.pdf>

²⁶ GLA, Affordable Housing and Viability Supplementary Planning Guidance, 2017, p.26, available at:

https://www.london.gov.uk/sites/default/files/ah_viability_spg_20170816.pdf

²⁷ GLA, Intermediate housing: The evidence base, 2020, p.29, available at:

https://www.london.gov.uk/sites/default/files/housing_research_note_5_-_intermediate_housing-the_evidence_base.pdf

²⁸ At a 25% equity share in 2017/18 financial year - GLA, Intermediate housing: The evidence base, 2020, p.30.

many of these are design-led capacity figures which have utilised the size-mix when calculating capacity²⁹. This mix has also been incorporated into the assumptions when undertaking the Whole Plan Viability testing. However, it should be acknowledged that Part B of Policy 15 does set out circumstances in which it can be allowed to vary the dwelling size mix.

Policy 18 – Other Forms of Housing

Q63 Is the requirement for affordable housing provision in criterion D justified including in terms of development viability, is it consistent with national policy, and in general conformity with the London Plan?

The requirement for affordable housing provision as part of the delivery of different types of homes, which are increasingly a part of the housing choices available to Londoners, is a justified inclusion to the overall policy approach to ensure that all delivery contributes to meeting the high level of affordable housing need.

The types of housing product which are to be subject to provision of affordable housing by criterion D are Build to Rent, Purpose Built Student Accommodation, and Purpose-Built Shared Living. Specific approaches to these are outlined at part F of Policy 13. These are directly in conformity with the London Plan, and were found to be justified in setting a bespoke approach to these housing types, likely to be effective, and consistent with national policy³⁰.

Further to the conclusions of the Panel, the Local Plan Viability Study reconsidered the evidence which supports application of affordable housing requirements to Built to Rent and PBSA schemes. The Study concluded, *'results of our appraisals testing BtR/PRS identify that there is no uniform percentage at which most schemes can be regarded as viable. We therefore consider that the LBWF's policy approach, which seeks to maximise the delivery of affordable housing through adopting the Threshold approach as set out in the London Plan, whilst allowing for the*

²⁹ For example, Leyton Mills Development Framework, 2021 - supporting capacity study, page 98, see also; Leytonstone Town Centre Framework, 2021.

³⁰ London Plan Examination in Public: Panel Report, 2019. Paragraph 254, page 54., available at:
https://www.london.gov.uk/sites/default/files/london_plan_report_2019_final.pdf

viability assessment of individual schemes that are unable to meet the target affordable housing levels and tenures, is reasonable³¹

With regards to PBSA, the Study concluded that developments were viable and could support the delivery of up to 35% and 50% affordable student accommodation.

Overall, it is considered that given the prior scrutiny of this policy position in the London Plan Examination, and additional confirmation of the findings of the viability evidence through the Local Plan Viability Study, the policy is justified.

³¹ Local Plan Viability Study [KD13.1], paragraph 7.14, p.139

Policy 19 – Small Sites

Q64 Does the policy relate to small sites for mixed use including some residential as well as small sites for residential only? If not, should it?

Yes, the policy relates to small sites which include mixed use.

Q65 How would the policy be implemented in practice? Is it necessary for all criteria A, B and C to be met? Should the policy specify relevant PTAL (public transport accessibility level) ratings?

The Council considers that a modification would clarify the intended meaning and effect of the policy. The criteria are individual conditions and do not all need to be met.

In response to this question, it is proposed to amend Policy 19 by including the words in bold where it reads as follows:

Policy 19 - Small Sites

Proposals for the development of **well-designed new homes on** small sites for new homes will **generally** be supported. **In particular, proposals should be supported where they:**

- A. Seek to infill, intensify and re-model areas of existing housing;
- B. Encourage innovative approaches to housing delivery;
- C. Support residential intensification within 800 metres of a designated centre with good public transport accessibility;

D. Are identified on the Brownfield Land Register

Policy 20 – Housing in Multiple Occupation (HMO) and Conversions

Q66 Is the policy justified, effective and consistent with national policy? How was the floorspace threshold of 124 square metres derived?

National planning policy requires local authorities to base their planning policies on the full objectively assessed need (OAN) for all types of housing. The increase in dwelling conversions, HMOs and Buildings in Multiple Occupation have largely resulted in a loss of family-sized homes. This trend poses serious issues for maintaining a mixed housing offer in many neighbourhoods across the borough and ensuring the adequate provision of larger family homes which are in need in the borough. Evidence from the Waltham Forest Strategic Housing Market Assessment (2019) indicates that larger family-sized housing is becoming increasingly unaffordable. The continued depletion of larger family-sized housing through dwelling conversions to flats or HMOs is likely to exacerbate the affordability of family-sized housing further.

Given the circumstances, Council has therefore sought to resist the conversion of homes which are below 124 sq.m. The threshold of 124 sq.m was chosen as this is the smallest floorspace which could successfully incorporate two flats of which one is 'family sized' (i.e. 3 bed plus and meeting the requirements of table 8.1). This has been based on the internal space standards in the London Plan. This is supported by the London Plan, which encourages boroughs to resist the loss of family-sized accommodation³²

³² The London Plan, 2021, pp 4.2.8, p.170, available at:
https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

Q67 How would 'over concentration of conversions' in criterion A.ii be measured and assessed? Is the policy sufficiently clear in this regard?

The impact of over concentration is typically evident from the range of planning problems presented, including the cumulative impact of parking, noise, overcrowding and rubbish affecting the general street scene. In implementing the policy, the Council normally considers the cumulative implications in the local area arising from conversions that have taken place. Through the planning application consultation process, residents' concerns are normally considered along with information from Council's records on complaints/enforcement cases, service delivery requests for street cleaning/rubbish collection and parking problems.

For better clarity and interpretation, it is proposed to amend to include additional text as explanatory statement to explain how the policy will be applied as follows:

In assessing the extent of overconcentration or whether conversion activity in a particular area or street has reached saturation levels, the Council will have regard to the number of the conversions that have already taken place or been granted planning permission and the cumulative impact of allowing additional conversions. Through the planning application consultation process, residents' concerns will be gathered along with information from Council's records on complaints, service delivery issues presented for street cleaning/rubbish collection, parking, noise and general nuisance.

Q68 Is the car free requirement at criteria B.iv and C.ii consistent with the requirements of Policy 68 (Managing Vehicle Traffic). How would these criteria be implemented in practice, for example where a home proposed for conversion has existing car parking facilities?

The Council recognises the need to clarify the interpretation of the Policy 20 (B.iv) and C(ii) with regard to circumstances where a home proposed for conversion already has existing car parking facilities. Accordingly, it is proposed propose modifications as follows:

Policy 20B(iv) and 20C (ii) delete the words "Is car free (Policy 68)" and replace with "**Would not generate additional parking beyond existing provision**".

Q69 Does the policy preclude all residential conversions and HMOs outside areas in PTAL3 and above? If so, what is the evidence to support this approach?

The policy outlines at B.iv and C.ii, that residential conversions and HMOs are required not to generate additional parking beyond existing provision (with in effect the 'new' unit being car free). As such, it is not considered appropriate to support conversions and creation of HMOs in locations which are not able to access the public transport network sufficiently well. This is proxied by a PTAL of 3 – moderate.

Policy 21 – Downsizing Policy 22 – Supported and Specialist Accommodation

Q70 Is Policy 21 justified? Is it appropriate to encourage only the delivery of flats as downsizing units for those aged 55+ or should other housing types be included?

On reflection, the Council considers that *Policy 21 – Downsizing* is not likely to be effective and is proposed for deletion.

Q71 How will Policy 21 be implemented in practice? Is it applicable only to developments of over 100 units?

Not applicable as proposed for deletion.

Q72 Is Policy 22 justified? Is it appropriate and necessary for reference to specific use classes to be included in Table 8.6?

The Council considers that a modification is necessary to Policy 22, in order to ensure that the Plan affords sufficient protection to facilities for supported and specialist accommodation³³. An additional clause is proposed to be added, which sets out the specific scenario in which the loss of such accommodation can be justified, involving either demonstration of a surplus of accommodation in the area, or that it will be reprovided to an equivalent or greater standard where the existing accommodation is no longer capable of meeting contemporary standards of care.

The reference to specific use classes in Table 8.6 is proposed to be deleted as it is not considered to be necessary.

The proposed amendment to the Policy is outlined below:

Policy 22

Supported and specialist accommodation will be supported by:

A. Encouraging the retention and refurbishment of supported and specialist accommodation where it meets identified need and is of appropriate design quality; and

B. Requiring new supported and specialist developments to:

- i. Be designed to meet to satisfy the requirement(s) of a specific use or group;
- ii. Meet the definition of supported housing and specialist accommodation (See Table 8.6 and Glossary);
- iii. Meet identified local and strategic housing needs;
- iv. be well connected to facilities, social infrastructure, health care;
- v. Be well served by public transport; **and**
- vi. **Be** of high quality design, including accessibility.

C. Resisting the unjustified loss of supported and specialised housing unless:

- i. It can be demonstrated that there is a surplus of that form of accommodation in the area and that it is no longer required; or,**

³³ SOPC31 – KD2 SCHEDULE OF PROPOSED CHANGES TO THE PUBLISHED PLAN

ii. The existing accommodation will be adequately re-provided to an equivalent or greater standard in the area; and,

iii. It can be demonstrated that the existing accommodation is incapable of meeting contemporary standards of care

Policy 23 – Gypsies and Travellers

Q73 What is the identified need for accommodation for Gypsies and Travellers? In particular:

The Waltham Forest Gypsy and Travellers’ Needs Assessment has been commissioned to understand the level of need in the Borough.

i. Is the Gypsy and Traveller Accommodation Assessment (March 2020) [EB4.2] consistent with national policy in identifying accommodation needs for Gypsies and Travellers?

The Gypsy and Travellers’ Needs Assessment was undertaken to understand the requirement for pitches using all relevant definitions as set out in national policy and in the London Plan. It identified a requirement for two additional pitches under the national definition in Planning Policy for Travellers Sites.

ii. Should the need for the numbers of pitches identified in the Accommodation Assessment be specified within the policy?

The Council has proposed to modify the policy to include reference to the identified needs which are specified in the supporting text at 8.31³⁴.

iii. Is the Plan justified in expecting all additional accommodation needs over the plan period to be met by intensification of existing sites?

The GTAA concludes that there is ample undeveloped land to allow for the intensification of both sites to meet their needs over the plan period. The borough does not have any significant plots of land which are not designated green space which are undeveloped and suitable alternative locations for sites. The residents who were interviewed were able to confirm that there is sufficient room on the site for intensification to create additional pitches to meet current and future needs and that they have the means to deliver additional pitches if they are able to get planning consent.

Q74 What is the relationship with the London Plan in terms of identifying accommodation needs for Gypsies and Travellers and is the Plan’s policy approach in general conformity with the London Plan?

The Intend to Publish London Plan widened the definition of Gypsies and Travellers and when using that definition in undertaking the Needs

³⁴ SOPC033, SOPC034 - KD2 SCHEDULE OF PROPOSED CHANGES TO THE PUBLISHED PLAN

Assessment there is a requirement for seven pitches across the two sites, over the plan period. Following Direction from Secretary of State, the London Plan has been amended to replace the terms 'Gypsy and Traveller' and 'Gypsies and Travellers' respectively with the phrases gypsy and traveller and gypsies and travellers in line with PPTS. The approach taken in the Local Plan is therefore in conformity with the London Plan as adopted.

Q75 How would the policy be implemented in practice and is it sufficiently clear how an application for Gypsy and Traveller accommodation, including proposals other than at existing sites, would be assessed?

The Council considers that the policy is sufficiently clear in supporting applications which intensify existing sites to provide extra pitches and meet identified needs. Proposals which come forward on other sites will be assessed on their merits.

Q76 Overall, are Policies 13 - 24 positively prepared, justified, effective, consistent with national policy and in general conformity with the London Plan?

With the modifications proposed, the Council considers that Policies 13 - 24 have been positively prepared, are justified and will be effective. They are supported by evidence from a number of supporting documents as detailed in the Council's response to the Inspectors' questions above.

Q77 Are any main modifications necessary for soundness?

Yes, as identified in response to the questions above.