



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

Response to the Inspectors’ Matters, Issues & Questions

Matter 8: Plan Viability, Deliverability, and Monitoring

January 2022

Issue 1 - Whether the Plan is justified, effective, consistent with national policy, and in general conformity with the London Plan in relation to whole plan viability, whether it is deliverable in the Plan period, and whether there are robust arrangements for implementation, monitoring, and review.

Q180 Do the residential site typologies tested in the Viability Study [KD13] reflect the type of housing sites expected to be delivered over the Plan period, in terms of their size, density, dwelling and tenure mix?

Yes, as identified in Paragraph 4.2 in the Viability Study [KD13.1], the typologies tested reflect the range of type, density and value of development across the Borough. The typologies were arrived at by the Council through the consideration of historic planning applications and knowledge of anticipated future development within the Borough as well as having regard for their emerging planning policy requirements, which are informed by their evidence base of need in the Borough. These typologies are therefore reflective of developments that have been consented/delivered as well as those expected to come forward in the LBWF in future and consequently represent the type of housing sites expected to be delivered over the Plan period, in terms of their size, density, dwelling and tenure mix.

Q181 The Viability Study [KD13] concludes that taller/denser developments are more likely to be viable in the higher benchmark value areas (paragraph 6.7). What implications, if any, would that have for the delivery of housing in the lower benchmark value areas and for the Plan's housing delivery strategy overall?

As can be seen in the Table 181.1 below, the current delivery of development and permitted/submitted planning applications, the majority of the taller, denser schemes, which incur higher build costs, are located in the higher value areas in the Borough as the schemes are viable.

Further, in the regeneration areas such as Blackhorse Road, where there is to be significant scale of development and supporting infrastructure, it is very likely that house prices will increase faster than the standard market growth forecast as a consequence of the place-making and resultant regeneration premium. This will

be a factor in developer's decision-making and will support the viable delivery of the growth envisaged by the Local Plan.

The Viability Study shows that development in the lower values areas in the Borough for lower density schemes, which incur lower build costs, and on sites with lower existing use values is viable. This is also supported by the development seen to date in this part of the Borough (See Table 181.1 below). This is evidenced in the table below of schemes that have been/are currently being delivered and those that have secured planning permission in the lower value areas of the Borough.

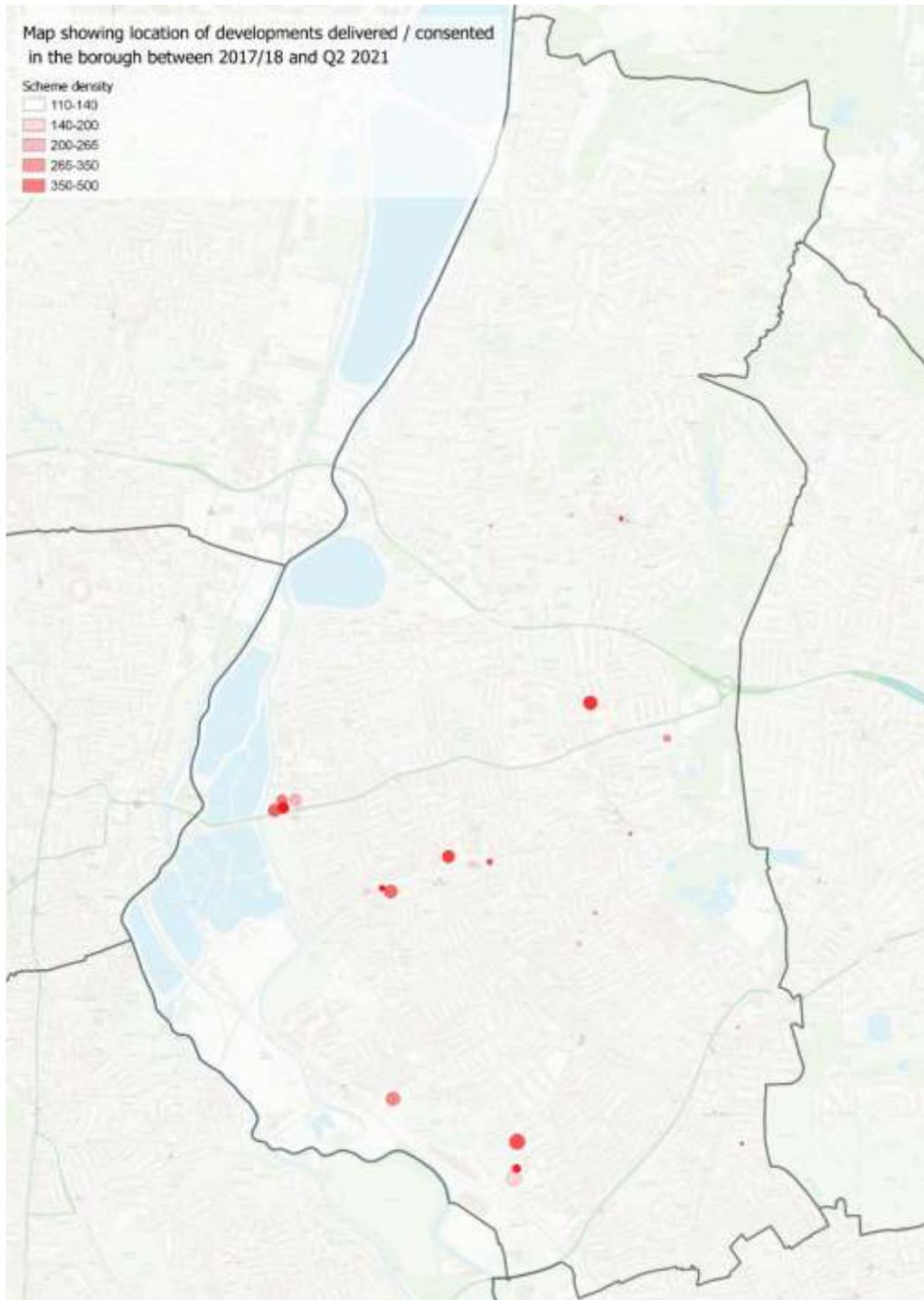
Table 181.1: Density of developments delivered/consented in the borough between 2017/18 and Q2 2021

Location on map	App Ref	Address	Density (units per Ha)	Total site area (Ha)	Residential units in scheme	Date of permission (FY)	Status	Affordable Housing %
1	171355A		14	3.05	42	2019	Consented	0%
2	182249		113	1.05	119	2019	Completed	28%
3	162056		123	0.407	50	2018	Consented	0%
4	182029		129	0.35	45	2020	Completed	51%
5	160923		131	5.569	730	2018		10%
6	200076		138	0.34	47	2021	Started	0%
7	153507		141	2.758	388	2018	Completed	15%
8	181707		184	0.163	30	2019	Completed	0%
9	160233		199	0.151	30	2018	Started	20%
10	174651		200	0.17	34	2022	Consented	24%
11	192987		202	0.593	120	2020	Consented	100%
12	201329		217	2.64	573	2022	Consented	28%
13	194184		225	0.16	36	2021	Consented	64%
14	170893		228	1.48	337	2018	Started	24%
15	171188		259	1.6	518	2018	Started	51%
16	173525		265	1.81	479	2019	Completed	22%
17	183989		268	0.34	91	2020	Consented	45%
18	193694		268	2.8	750	2021	Consented	48%
19	192307		274	0.113	31	2020	Consented	100%
20	171355B		302	1.525	460	2019	Consented	22%
21	202512		328	1.78	583	2022	Started	30%
22*	173059		350	0.12	42	2018	Consented	0%
23	191876		467	0.42	196	2021	Consented	100%
24	182917		473	0.74	350	2019	Started	47%
25	192899		483	0.172	83	2020	Consented	45%

* Prior Approval for Permitted development change of use from office to residential.

The delivery of higher density development in the higher value areas of the Borough fits with the Council's anticipated growth plans and consequently supports the Plan's overall housing delivery strategy (see Figure 181.3 below which sets out a map of the expected supply of housing in the Borough by ward).

Figure 181.1: Map showing location of developments delivered / consented in the borough between 2017/18 and Q2 2021



Considering the above the Council does not consider that there will be significant implications for the delivery of housing in the lower value areas in the Borough.

Figure 181.2: Map of the expected supply of housing by ward

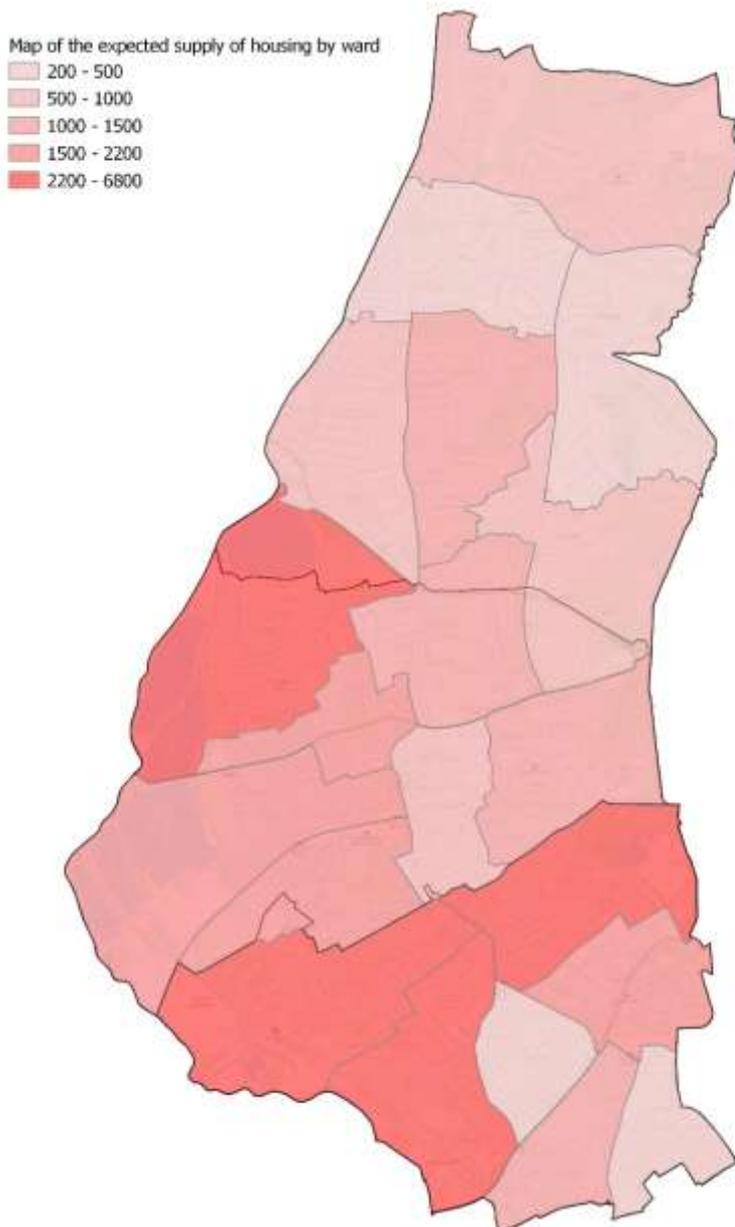
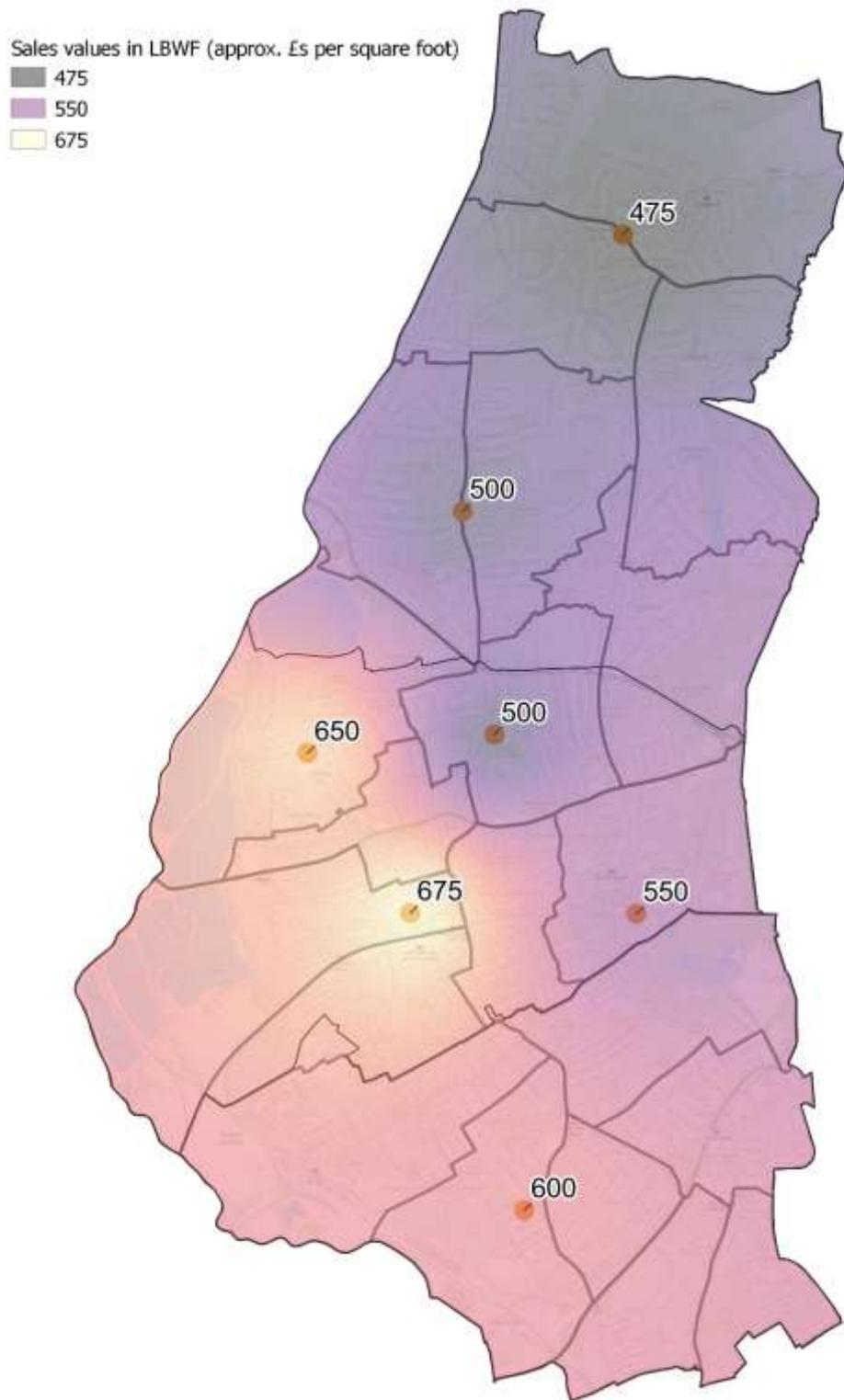


Figure 181.3: Sales values in LBWF (approx. £s per square foot)



Q182 The Viability Study [KD13] concludes that the Borough has a complex range of development scenarios with sites in various existing uses. Would new development be able to accommodate the Plan's policy requirements having regard to viability and is this supported by the evidence in the Viability Study?

Yes, the viability testing evidence confirms that new development in the Borough can be delivered whilst accommodating the Plan's policy requirements. As has always been the case however, not all schemes will be able to meet the full extent of emerging policy requirements due to site-specific issues or market factors. In these instances, the Local Plan allows for the flexible application of certain policies, most notably affordable housing, subject to scheme-specific viability, and the inclusion of future review mechanisms, to ensure that the development envisaged by the Plan is still deliverable whilst providing the maximum contribution to policy requirements.

As identified in the viability report, this position is not unique to Waltham Forest and the emerging Local Plan. The Council's flexible application of its affordable housing policy mirrors the approach of the London Plan, with its affordable housing threshold and 'Fast Track' and 'Viability Tested' routes in Policy H4. This flexible approach to application of the Council's affordable housing and other policy requirements will ensure an appropriate balance between delivering affordable housing, sustainability objectives, necessary infrastructure and the need to incentivise landowners and developers to bring forward land for development, as required by the NPPF and PPG. Maintaining this approach will ensure that such policies do not undermine the deliverability of the plan (as required by Para 34 of the NPPF) to ensure that sites are, as far as possible, capable of being developed viably and thus facilitate the growth envisaged by the Council's plans throughout the economic cycle without jeopardising the delivery of the Local Plan.

Q183 Can 50% affordable housing be viably delivered on sites in the Borough in industrial use, in general conformity with London Plan Policy H4?

Yes, the results of the viability testing show that on some schemes and locations in the Borough 50% affordable housing can be delivered from sites formerly in industrial use. The Council notes that both the London Plan - through (Policy H5, Threshold approach to applications), and the Council's Local Plan - through (Policy (13 - Delivering Genuinely Affordable Housing)), recognise that in some instances

there may be viability issues, and as such a viability tested route is provided whereby the developer is required to submit detailed supporting viability evidence to determine the maximum level of affordable housing deliverable in the scheme, taking into consideration site specific issues.

Q184 Will the monitoring indicators and targets in Appendix 5 of the Plan provide a robust basis for assessing Plan outcomes and will the indicators, targets and triggers be effective in measuring the delivery of the Plan's vision and objectives?

Yes, the Plan will be monitored annually using the indicators and targets identified in Appendix 5. This will be reported yearly in the Authority Monitoring Report which would provide a basis for assessment of the success of policies, delivery targets and objectives of the plan.

The variety of data that will be monitored and reported ranges from rate of delivery of homes, change in employment floorspace, to levels of infrastructure growth such as broadband coverage level, numbers of GPs and change in school capacity. This will generate a robust dataset that will be able to provide information on a granular level as well as show the combined impact of policies in the plan. The dataset produced will be used to track delivery against the plan visions and objectives as well as assessing the effectiveness of the plan's policies. This framework is elaborated in Appendix 5 with monitoring indicators and targets where applicable are referenced to key policies.

The indicators feed into the process of calculating the Housing Land Supply, and housing delivery test as well as other important outputs which the authority must consider according to Paragraph 065 of the Plan making Guidance of the PPG in evaluating the success of the plan. It is noted in Policy 98 paragraph 20.34 that "Where necessary, new indicators will be created, and obsolete indicators will be deleted or amended to meet changing circumstances in the way data is collated".

Q185 Does the Plan have sufficient flexibility to respond to changing circumstances?

The Council considers that the Plan is flexible enough to respond to changing circumstances. This is demonstrated as follows:

Paragraphs 4.9-10 notes the assumptions made in preparing the Plan, also setting the circumstances in which policies might need to be reviewed. It notes likely changes affecting the baseline information and any information on trends on

which the Plan has been based. A criteria-based approach to policy drafting has been applied which allows different factors to be weighed to support decision making. The Plan also contains a number of positively worded policies written in a way that can respond and adapt to change.

In paragraphs 4.14- 4.16 of the Plan, commitment has made in the Plan to review the Infrastructure Delivery Plan in recognition of the challenges in ensuring the timely delivery of infrastructure provision.

Sections of the Plan consider risks and contingencies. For example, in paragraphs in 15.54- 15.57 and 20.28-20.30. Policy 97 mentions that if housing delivery falls significantly behind that which is required to achieve targets, this will trigger a full or partial review of the plan.

Policy 3 notes that the role and nature of Infrastructure providers will change over time and refers to the IDP which is a live document that will reflect such change as it concerns infrastructure development.

Policy 26, 27, and 28 allows for future flexibility in considering acceptable uses, including amalgamation for a range of employment uses which may be necessary for renewal and upgrading to make it high quality and fit for purpose.

Q186 Overall, is the Plan viable, deliverable, and are there appropriate arrangements for implementation, monitoring, and review?

Yes, the plan is viable and deliverable and is supported by implementation, monitoring and review arrangements.

The Plan will be monitored annually using the indicators and targets identified Appendix 5. This will be reported yearly in the Authority Monitoring Report which would provide an assessment of the success of policies, delivery targets and objectives of the plan.

The Monitoring strategy as contained in the Plan will allow for an understanding of how policies have worked relative to how it was intended to work. This will enable a well-informed decision to be made based on evidence regarding the effectiveness of the policy and whether the Plan should be reviewed or not.

The circumstances/factors likely to trigger a review are set out in Policy 97. These include:

- Failure to demonstrate housing land supply - (Starts and completions)
- Housing completions fall more than 15% beneath the target in the housing trajectory over any rolling three-year period. (Starts and Completion)
- Employment space falls more than 20% beneath the target -
- An inadequate supply of sites to meet the target
- Retail space falls more than 20%

- An inadequate supply of retail site opportunities to meet the target set in the plan.

With regard to viability, the Plan is supported with a Whole Plan Viability Study. The most significant policy requirement with viability implications is around the delivery of affordable housing. This challenge is well acknowledged in Policy 3 (Delivering Genuinely Affordable Housing). This applies a threshold approach to viability, requiring viability assessments, off-site or payment-in-lieu for affordable housing provision where justified.

The overall Plan approach seeks to ensure that policies do not undermine the deliverability of the plan (as required by Para 34 of the NPPF) to ensure that sites are, as far as if possible, able to be developed viably and thus facilitate the growth envisaged by the Plan.

Q187 Are any main modifications necessary for soundness?

None

