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Dear Sir/Madam

Wandsworth Local Plan Partial Review - Further Written Statement

Further to our previous written response dated 24 February 2024 sent by Montagu Evans on our behalf, we write to provide further commentary regarding the Council's proposed modifications. By way of context, we have recently secured planning permission via appeal for a significant PBSA led regeneration scheme within the Borough and therefore have the very recent experience of the local planning policy and economic environment.

Matter 2: Policy 23 - Affordable housing

• Are the requirements for Affordable Housing set out in Policy LP23 positively prepared 'in a way that is aspirational but deliverable'?

We believe that for the majority of projects the proposed 45% for FTR will not be deliverable. Our earlier written response included a detailed review of the Whole Plan Viability Assessment. Our review of the Assessment raises several areas where further clarification and justification is required to support the proposed Local Plan amendments. Without greater transparency and justification, it is considered that the supporting evidence base does not sufficiently support the proposed policy amendments.

As set out in our previous written submission, we maintain that the wording of the Policy LP23 as set out in the Local Plan Partial Review is unsound. It is neither justified in the context of the London Plan, nor will it be effective as a policy to deliver housing. Our suggested amendments to Policy LP23 to make it sound were set out in our previous submission.







Deliverable affordable housing policy should help to embed affordable housing expectations into land values, creating greater certainty for developers such as ourselves. This ensures a speedier and less costly planning process and thereby increase and speed up affordable housing delivery. As drafted this policy will disincentivise applicants from pursuing an unviable FTR and will inevitably slow down delivery due to viability cases being negotiated. Most importantly, any resulting permissions will likely be undeliverable – a matter which is clearly observed across London and the wider UK presently, and for the foreseeable future. Indeed, this context is leading the GLA to currently think in a very different manner to the Council's proposed movement in the opposite direction.

In respect of recent LBW modifications (M23/7 LP23 (Affordable Housing) Paragraph 17.23) the Council add:

"In exceptional cases where applicants can demonstrate it has not been possible to secure a Registered Provider early, this must be demonstrated through the provision of clear evidence"

The above underlined phrase raises a particularly 'high bar' the Council's policies are pursuing in an environment where registered providers have not typically been in a position to support new housing projects. Where it is possible to engage in a formal manner, this is typically following the issuing of planning permission, and therefore the expectations of the above wording will likely delay negotiation further or potentially prevent projects from progressing. The underlined wording should therefore be removed.

• Will this deliver an uplift in the level of affordable housing across the borough? What would be the effect of requiring 45% affordable housing on sites using the FTR on the deliverability/viability of such developments?

Noting the previous question's response, we are confident that any uplift in affordable housing delivery (from a currently low base) is unlikely because of the proposed policy modifications. We note that few projects with planning permission are being delivered using current London-wide FTR of 35%. The Borough will present itself as an unattractive place to invest within.

Matter 3: Policy LP24 - Housing Mix

• Is the Policy clearly defined and unambiguous so that it is evident how a decision maker should react to development proposals?

As set out in our previous submission, we would recommend that further clarification is required under Part C to ascertain that if a planning application broadly aligns with LBW's indicative housing mix, it should not be required to provide justification for the proposed mix. Evidence to support the proposed mix should only be required if the mix departs significantly from the Borough's indicative housing mix.

Matter 4: Policy LP28 - Purpose Built Student Accommodation (PBSA)

• Are the requirements for PBSA set out in Policy LP28 justified by appropriate available evidence, having regard to national guidance, and local context, and is it in 'general conformity' with the London Plan?

The proposed amendments to Policy LP28 (particularly parts 1, 2, 3 and 8) are contrary to the London Plan and are likely to result in developments being financially unviable and therefore undeliverable. This will further supress the ability for the Council to meets its objectively assessed local housing need, including the needs of specialist housing such as PBSA, and noting that PBSA contributes directly towards this housing need.

• Are the requirements for PBSA set out in Policy LP28 positively prepared 'in a way that is aspirational but deliverable'?

Proposed modification M28/1 LP28 (Purpose Built Student Accommodation) Part A.1 states:

"Is proposed on a site which is not allocated, <u>identified or otherwise suitable</u> for conventional housing"

The above underlined wording is still not clear for the purposes of considering land opportunities and/or applying for planning permission. As drafted, the phrase would appear to apply to most brownfield land opportunities in the Borough, which effectively discourages the majority PBSA development potential, which contrary to the London Plan's ambitions, and the NPPF's emphasis for accommodating all specialist forms of housing. The same phrase is also proposed at proposed modification M28/3 Paragraph 17.45.

Furthermore, the draft Plan provides further clarity on areas where PBSA will be resisted:

"the Council will generally resist proposals to develop PBSA on sites, or within area strategies, where this would harm the ability for the envisaged quantum of conventional housing to come forward. The Council will have regard to specific site allocation and area strategy policies, and its published housing trajectory, in applying this part of the policy".

Further clarification is therefore required, which will also support a more diverse housing offer.

Proposed modification M28/2 Paragraph 17.44 states:

"In exceptional circumstances where a student housing development is considered appropriate on a site which is suitable for conventional housing, the equivalent level of affordable housing as required by Policy LP23 may instead be provided as a separate block on the site as part of the scheme and phased accordingly"

Affordable PBSA should be prioritised over conventional affordable housing in accordance with the London Plan. Importantly, the ability to secure nominations agreements with HEPs (also expected from policy) is compromised by a more limited, or no, affordable bedroom component. Further, Policy LP28 should also expressly acknowledge that smaller sites do not have the physical capacity to accommodate two residential tenures that will require their own independent entrances, servicing, utilities, fire safety strategies etc.

• Is the Policy clearly defined and unambiguous so that it is evident how a decision maker should react to development proposals?

The draft Policy includes a sequential requirement for PBSA to demonstrate a priority towards meeting the specified needs of local Higher Education Providers (HEPs). The drafting states:

"Nevertheless, the policy contains a clause which requires prioritisation of meeting the needs of local HEPs and then a sequential approach to prioritising the needs of those in neighbouring authorities or within a practical travelling distance. The Council considers this clause to provide a meaningful mechanism for ensuring PBSA schemes prioritise locations which are accessible to the HEP they relate to."

One would expect the Council to be clear on the requirements of the Borough's institutions. Our recent experience would suggest that there is no identified need for new bedspaces for HEPs within the Borough. At page 52, the Housing Background Paper states:

"The Council's previous engagement with local HEPs has suggested that there is limited to nil shortterm need for additional PBSA in association with any of the HEPs within its boundary".

The Council also notes:

"The wording at Part A6 encourages applicants to prioritise the accommodation needs of local HEPs and sets out a clear sequential prioritisation based on distance. The policy does not preclude proposals which would meet the needs of an HEP outside the parameters in the policy, nor does it interfere with the London Plan approach to student housing. Rather the policy encourages applicants to demonstrate that they have prioritised locating accommodation close to the HEP it is serving, and therefore reduced the need to travel, which is considered to be a sound and justified planning principle."

We therefore suggest that this sequential approach, which does not accord with the Local Plan, should also be deleted as it adds unclear and unnecessary burden to an applicant with otherwise no demonstrable evidence of the need for this policy element. In the recent appeal decision (Ref: APP/H5960/W/24/3358065 – paragraph 24) it is clear the needs of wider London HEPs predominantly centrally located, must be supported by surrounding Borough's too.

• Does Policy LP28 allow developments to follow the FTR? If not, what justification is there for doing so?

The proposed modifications statement notes:

"The purpose of Part A1 to the policy is to ensure there is balance between the need to deliver student housing whilst ensuring land is appropriately safeguarded for conventional housing, including conventional affordable housing, for which a high level of need is demonstrated through the Housing Needs Assessment. The Council has recommended a potential modification for the Inspector's consideration which would further clarify Part A1 to list specific categories of site where student housing will be resisted, with particular reference to sites which are allocated or identified for conventional housing. A further modification is recommended to the supporting text which would elaborate on how these sites would be defined and identified. Further justification to the policy approach is set out in the Housing Background Paper."

The above would suggest that the Council has had specific regard to the significant undersupply of PBSA at a London wide level. However, this does not appear to be considered in any detail within the Housing Background Paper, which at Paragraph 19.4 simply notes:

"The London Plan recognises there is a need for additional PBSA across Greater London. Unlike the approach taken for other forms of housing, the London Plan does not identify a disaggregated Borough-level of need or target for such housing and instead treats the need as being 'pan London.' Whilst there is demand in Wandsworth for PBSA schemes, the existing policy approach makes it difficult to arrive at sensible policy decisions over the level of contribution that a borough like Wandsworth ought to make to meeting London's need for PBSA, particularly given that the PBSA coming forward in Wandsworth typically has no tie to local HEPs."

Despite the very significant under-supply of student housing cross London, it should be noted that there are very few PBSA schemes being brought forward within the Borough. Clarity of how the need for PBSA has been considered should be sought from the Council to justify the restrictive policy as drafted. Again this was covered in detail within the recent planning appeal decision (Ref: APP/H5960/W/24/3358065) from paragraph 20 onwards).

The proposed amendments to Policy LP28 fail to acknowledge PBSA as a valid contributor to housing needs and the benefit it provides in freeing up conventional housing elsewhere, including Paragraph 71 of the NPPF and Paragraph 041 (Ref ID: 68-041-20190722) of the NPPG. It also fails to recognise PBSA as an enabler of conventional affordable housing. Finally, it will undermine the prospects of meeting the London Plan target to deliver 3,500 PBSA bed spaces per year.

Matter 5: Policy LP29: Housing with Shared Facilities

• Are the requirements for Housing with Shared Facilities set out in Policy LP29 justified by appropriate available evidence, having regard to national guidance, and local context, and is it in 'general conformity' with the London Plan? • Are the requirements for Housing with Shared Facilities set out in Policy LP29 positively prepared 'in a way that is aspirational but deliverable'?

There is currently very limited national guidance regarding this specific form of BTR residential tenure but local guidance is welcomed. However the proposed amendments to Policy LP29 remain contrary to the London Plan Policy H16, and will result in such developments being financially unviable and therefore undeliverable. Given such accommodation can meet a wide range of housing need, thereby offering a range of benefits to the local economy. The policy drafting will further supress the ability for the Council to meet all aspects of its objectively assessed local housing need.

Matter 6: Policy LP30: Build to Rent

• Are the requirements for Build to Rent set out in Policy LP30 justified by appropriate available evidence, having regard to national guidance, and local context, and is it in 'general conformity' with the London Plan? • Are the requirements for Build to Rent set out in Policy LP30 positively prepared 'in a way that is aspirational but deliverable'?

As set out in our previous detailed response, the proposed amendments to Policy LP30 are contrary to the London Plan and likely to result in developments being financially unviable and undeliverable,

which will further supress the ability for the Council to meets its objectively assessed local housing need.

Concluding remarks

In summary, we consider that the proposed amendments to the housing policies in the Local Plan will undermine the delivery of housing and therefore are not positively prepared. This comes at a time when LBW's objectively assessed local housing need has increased to 4,383 homes per year – a 323% increase above the Council's Local Plan housing target. On the basis that the NPPF encourages local authorities to undertake an early review of their Plan if local housing need is expected to change significantly, we would expect the Local Plan Partial Review to attempt to identify additional sites to meet its housing need which clearly undermines its robustness as a plan to meet the area's objectively assessed needs.

The policies go well beyond the London Plan and are contrary to recent regional publications such as the PBSA LPG (November 2024) and the Accelerating Housing Delivery Practice Note (December 2024). In particular, the increase in the threshold for developments to qualify for the Fast Track Route and the inclusion of a late-stage review for such applications will discourage developers from taking this route and it is likely to result in more viability-tested applications. This will undoubtedly slow down the determination of planning applications, and also result in less housing <u>and</u> affordable housing being delivered. This is at a time when the GLA and the Government are likely to confirm a reduction on the level of affordable housing for the FTR to address prevailing poor property market conditions, and significant under-delivery across London. More detail is likely to be available by the Hearing date.

We therefore contest that the Local Plan Partial Review is unsound when considered in the context of Paragraph 36 of the NPPF. In particular, it is not:

- Positively Prepared it does not provide a strategy which seeks to meet the area's objectively housing needs;
- Justified the proposed policy amendments go way beyond the London Plan and are not an appropriate strategy to incentivise housing delivery, particularly as the London Plan policies and guidance are a reasonable alternative in this context;
- Effective the proposed policy amendments will stifle housing delivery and undermine the delivery of housing over the plan period; and
- Consistent with national policy it does not provide a strategy which seeks to meet the area's objectively housing needs.

Please contact Ben Wrighton on 07557430670 or ben.wrighton@watkinjones for any further clarification.

Yours faithfully

Watkin Jones