

Newham Local Plan

Matter 2: Amount of development required in the plan period

Plan period

Q2.1 (a) Are the reasons given by the Council sufficient justification for the strategic policies in the Plan looking ahead 11 years from adoption? (b) If not, should the Plan be modified so that the strategic policies look ahead to 2042?

Although the current London Plan establishes housing targets for only the first ten years – 2019/20 to 2028/29 – national policy requires local plans to operate for a period of at least 15 years from the date of adoption (NPPF, para 22).

While it is likely that a new London Plan will be published and adopted within the next few years (possibly by 2028), which will establish new housing targets – and these targets will automatically become part of the development plan for London upon adoption – this cannot be certain.

Consequently, to conform to national policy, it is necessary for the local plan to be amended to operate up to 2042, assuming adoption in 2027.

Housing requirement

Q2.2 (a) Does policy H1 and/or the reasoned justification need to be modified to clarify what the Plan's minimum housing requirement is (irrespective of the specific figure)?

The Local Plan should be clear what the minimum housing requirement is for the plan period. The plan period should be amended to 2023 to 2042.

The housing requirement should also be expressed as an annual average figure.

We consider there is a need for two figures to distinguish between the London Plan figures set out in policy H1 of the London Plan for the period 2019/20 to 2028/29 and a separate figure for the period following this running up to 2029 to 2042.

The Council should identify an overall and annual average residual figure for the period 2023/2029 – those homes it has left to deliver against the current London Plan.

It should then set an overall and annual average figure for the period 2030 to 2042.

(b) Is the approach of basing the housing requirement (irrespective of the specific figure) on capacity, rather than need, justified and consistent with the London Plan?

The London Plan at para. 4.1.11 advises that capacity should be the basis for setting a housing requirement post 2028/29 drawing upon the GLA SHLAA 2017 and other evidence. In retrospect this is not ideal. It is at odds with the Framework in terms of assessing housing needs.

Basing a housing requirement on the capacity figures in the GLA SHLAA 2017 has become something of a problem. For some boroughs this can be a very low figure. Where it is low it can be out of kilter with other local indicators of need (such as those provided by a SHMA),

or indications such as those provided by the household projections (which had been the core basis for carrying out an 'objective assessment' of need until the introduction of the new Standard Method). Recognising this, some boroughs have 'rolled forward' the annual average of the overall figure provided by the London Plan. This approach has increasingly been endorsed by the GLA as a stop-gap measure (see for example the GLA's response to Enfield Council). Although not ideal, it is an approach that should be adopted here.

For context, we understand that the new Standard Method figure for Newham would be 2,249 homes per year (reflecting most recent affordability ratio). This, however, is by no means reliable as a benchmark for future planning for Newham owing to the strategic role of the Mayor in aggregating and apportioning London's overall need.

Notwithstanding the shortcomings with the current London Plan for setting a housing requirement beyond 2028/29, HBF is firmly of the view that a key objective of the Plan must be to deliver the London Plan requirement in full by 2028/29, or substantially, as required by policy H1, Part B of the London Plan.

If this principle is accepted, we note that once you have deducted the London Plan requirement for Newham (32,800) and then Newham's share for the London Legacy Development Corporation (14,800) homes from the overall plan figure of 51,425 that would leave a figure of just 3,825 homes to be provided for the rest of the plan period 2029 to 2038 (approximating to one's year's supply based on the current London Plan). That would equate to just 425 homes a year (over nine years). This figure seems inadequate and points to a weakness in the inter-relationship of the London Plan with local plans. This is why rolling-over the annual average figure for Newham would serve as a better resolution to this problem.

(c) Is the reference to a target range justified and does it provide an effective and unambiguous approach (irrespective of the specific figures)?

Target ranges are unhelpful. They complicate things for decision-makers and those monitoring performance.

(d) Is the inclusion of a stepped requirement (irrespective of the specific figures) consistent with national policy and guidance?

So long as the London Plan requirement (32,800) is delivered by 2028/29 we would not object to the adoption of a stepped trajectory. However, if our reasoning set out above is accepted, the annual requirement for the years that go beyond the end date of the London Plan would be so small (425dpa) that a stepped trajectory is unlikely to be necessary.

If it is accepted that the London Plan requirement (Newham and LLDC – 47,600 homes) should be delivered entirely by 2028/29 and if delivery has been 11,646 homes between 2019 and 2023 (based on Table 9 in the Site Allocations and Housing Trajectory Methodology Note 2025 and referred to by the Inspector in the Matters, Issues and Questions), this would suggest that 35,954 homes still need to be provided by 2028/29.

It is unlikely that this figure can be delivered by 2028/29 and a stepped trajectory is unlikely to assist materially.

Conversely, if the residual need for 35,954 homes is to be delivered over the rest of the plan period up to 2042 then a stepped trajectory would be unjustified because: a) these are homes that should have been provided by 2028/29 and therefore should be delivered as quickly as possible; and b) the new requirement for the rest of the plan period – a figure of just 3,825 homes – is small equating to over one year's supply based on the current London Plan (3,280) meaning that a stepped trajectory is unnecessary.

(e) If a stepped trajectory is justified (irrespective of the specific figures), does the Plan need to be modified to include it in policy H1 rather than in the reasoned justification to be consistent with national policy and guidance?

Yes, the need for a stepped trajectory should be explained in policy H1 with the 'steps' described.

London Plan target 2019 to 2029

Q2.3 To be consistent with the London Plan, does policy H1 and/or the reasoned justification need to be modified to include reference to the London Plan target of 47,600 homes for 2019 to 2029 and/or to a residual target of 35,954 homes for 2023 to 202928 (irrespective of whether the evidence demonstrates that actual delivery will be lower in those periods)?

Yes. We consider this is essential for clarity. It is our view that the London Plan requires 47,600 homes (a combination of Newham's target and its share of the LDDC) to be delivered in Newham by 2028/29 in line with policy H1 of the London Plan.

We accept that this is unlikely to be feasible. If so, there is the need for a discussion about whether the residual requirement of 35,954 should, or can, be delivered over the remaining years of the Plan (whether this is 2038 or 2042). However, this returns to the question about what the need is for the period up to 2038 or 2042. Deducting the figure of 47,600 from the overall requirement of 51,425 implies an annual average need for just 425 homes (for nine years) for the remainder of the plan period.

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