

CITY PLAN 2019 – 2040

HOUSING TOPIC PAPER

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1. Introduction

Westminster City Council has prepared a City Plan 2019-2040 which sets out the council's vision to make Westminster a city of excellence in all areas. The purpose of this topic paper is to demonstrate how the policies relating to housing in the City Plan have been developed and evidenced.

This topic paper relates to the following City Plan policies:

Policy 8	Stepping up housing delivery
Policy 9	Affordable housing
Policy 10	Affordable contributions in the CAZ
Policy 11	Housing for specific groups
Policy 12	Innovative housing delivery
Policy 13	Housing quality

This paper sets out the following:

- the purpose and intention behind the policies;
- the wider policy context and key issues of relevance for the policy areas;
- the evidence in support of the policies;
- matters arising from the consultation responses received; and
- any other relevant details about how the policies have been developed.

Housing policy overview

Providing adequate housing, especially at affordable prices, is one of the highest profile challenges currently facing local authorities and central government. In London, the rate of building new homes has not met with the increasing need and the Mayor has identified that *“our housing crisis is the biggest threat to London’s future... many Londoners have had to move out of the city. Others have been left living in overcrowded homes or struggling to afford sky high rents. Home ownership is now beyond the reach of most Londoners.”*¹ Pressure to deliver new homes is intense.

Westminster wants to deliver a world-class response to these pressures. Through policies 8 to 13 of the draft City Plan the city council intends to deliver *“good, affordable housing that will contribute to happier healthier lives”*. This means making effective use of available land and achieving excellence in design, so that Westminster’s housing supply is more affordable and inclusive, ensuring that everyone has a chance to share in the economic prosperity of the city.

Policies 8, 9 and 10 focus on housing supply (the total number of new homes in Westminster to be delivered over the plan period), with a particular emphasis on

¹ London Housing Strategy (2018)

affordable provision (35% of new homes in Westminster to be affordable). The aim of these policies is to: support a 'stepping up' of housing delivery in the city in view of the London Plan's housing targets; prioritise affordable housing to meet the needs of Westminster's communities; and, consider how commercial developments in the Central Activities Zone (CAZ) can contribute to meeting these challenges.

Policy 11 considers housing for specific groups. Its purpose is to ensure that the city has a mix of units which support diverse and inclusive communities, with a policy approach that takes account of contextual changes such as Westminster's ageing population.

Policy 12 captures Westminster's intention to be innovative in housing delivery, with the aim of encouraging fresh thinking and modern design and building methods to increase accessibility to affordable and high-quality homes.

Policy 13 further develops the theme of quality, referencing national standards and the council's own local aspirations in areas such as energy efficiency, accessibility and adaptability, and external amenity space. The purpose here is to recognise the connection between housing quality and all aspects of people's health and wellbeing, ensuring that Westminster's homes provide a functional, accessible, healthy and appealing environment for residents.

2. Part A: Housing Need

2.1. Overall housing need

2.1.1. Purpose of the policy

Policy 8 explains that the number of new homes built in Westminster will exceed 22,222 over the Plan period and how delivery will be stepped up over the first 10 years of the Plan to deliver 1,495 homes each year. ‘Stepping up’ to 1,495 units per year is based on meeting the council’s 10-year housing requirement as derived from the standard method outlined in national Planning Practice Guidance.

Policy 8 is needed in order to ensure we meet our housing need.

It is the council’s view that policy 8 is consistent with national planning policy, is in general conformity with the New London Plan, and is supported by local evidence.

2.1.2. Justification for the approach taken

2.1.2.1 Relationship to national policy

The National Planning Policy Framework (NPPF) paragraph 60 states that local planning authorities should use a “*local housing need assessment, conducted using the standard method in national planning guidance*” to determine the level of need for new homes.

The Planning Practice Guidance (PPG) confirms that an assessment of housing need is “*an unconstrained assessment of the number of homes needed in an area*”, and that it “*identifies a minimum annual housing need figure. It does not produce a housing requirement figure*”.

Nevertheless, NPPF paragraph (35a) states that in order to be ‘sound’, plans should “*provide a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs*”. In relation to housing, the standard method’s calculation is specifically alluded to in the accompanying footnote, which states that “*where this relates to housing, such needs should be assessed using a clear and justified method, as set out in paragraph 60 of this Framework*”.

It is therefore evident that national planning policy expects local planning authorities to meet their objectively assessed housing need as calculated using the standard method.

The Standard Method

The PPG sets out the government’s standard method for assessing local housing need. There are three steps to calculating need using this method:

1. Setting the baseline.
2. An adjustment to take account of affordability.
3. Capping the level of any increase.

To set the baseline, the standard method uses the 2014-based household projections. These are projected forward over a 10-year period with the current year as the starting point. For Westminster, this gives an annual growth of 1,440.3 households across the 10-year period.

The affordability adjustment is calculated using the following formula:

$$\text{Adjustment factor} = ((\text{local affordability ratio} - 4) \div 4) \times 0.25 + 1$$

The local affordability ratio is taken from the most recent median workplace-based affordability ratio, published by the Office for National Statistics. In Westminster, this ratio is 24.41. The adjustment factor for Westminster is therefore 2.275625. When this is multiplied by the annual household growth of 1,440.3 households, this gives a requirement figure of 3,278 homes per year.

The level of increase is then capped. The way the cap is calculated depends on the current status of relevant strategic policies for housing. In Westminster, the relevant strategic policies for housing are those set by the London Plan. This is confirmed by the PPG, which states that “for areas covered by spatial development strategies, the relevant strategic policies are those contained within the spatial development strategy”.

2.1.2.2 Relationship to the London Plan

The housing targets in the currently adopted London Plan were introduced in 2015 through the examination of Further Alterations to the London Plan (FALP). The FALP targets were formally adopted as part of the development plan for London on 10th March 2015. They were incorporated as part of Westminster’s consolidated City Plan in 2016. The adopted target required Westminster to deliver 1,068 housing units per year for the period 2015-25 with an overall 10-year target of 10,677 units.

The New London Plan has been under examination since August 2018. Following the publication of the Inspection Panel’s Report in October 2019, there is now more certainty about the policies that will be in the New London Plan, including the strategic housing targets for London boroughs. The plan is scheduled for adoption in early 2020.

The Inspection Panel’s Report recommends that the strategic housing targets for some London boroughs are reduced from those outlined in the draft version of the plan. This is due to concerns around the delivery of small sites. The draft version of the New London Plan required Westminster to deliver 1,010 units per year, whereas the Inspection Panel’s Report recommends that this is reduced to the equivalent of 985 units per year, with an overall 10-year target of 9,850 units for the period 2019/20

to 2028/29, although the annualised target has also been recommended for removal by the Inspection Panel.

2.1.2.3 Westminster's Housing Requirement

The cap included within the government's standard method of assessing housing need operates in the same way whether it is used on the adopted London Plan or the new London Plan housing target, as both have been calculated within the last five years. Where this is the case, the PPG states that "the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies".

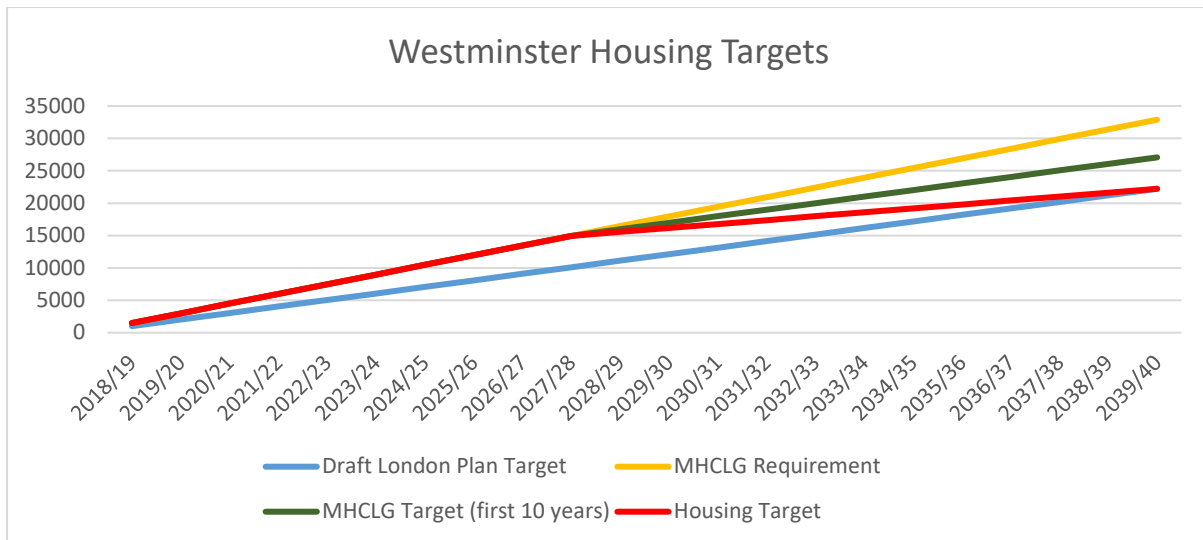
When calculated using the adopted London Plan housing target, the cap produces a housing requirement figure for Westminster of 1,495 units per year. When the new London housing target is used (following the Inspection Panel's recommendations), the housing requirement figure is 1,379 units per year for the period 2019/20 to 2028/29.

As there is now more certainty around the New London Plan target as the basis for the calculation of a housing requirement using the standard method, we have now calculated our housing requirement based on the new London Plan target. Given the publication date of the Inspection Panel's recommendations, our publication draft City Plan carries forward a housing requirement based on the currently adopted London Plan target and it remains the council's ambition to deliver 1,495 homes per year.

Westminster's Housing Target (Policy 8)

To address the gap between the London Plan target and the housing requirement obtained from the standard method, we have undertaken further investigation of sources of housing supply in Westminster to consider a deliverable housing target. With this information we have determined that Westminster's housing target should be an amalgam of the London Plan target and the housing requirement derived from the standard method. This is the basis for City Plan Policy 8's 'stepping up' of housing delivery.

Our housing target of 22,222 homes was based on rolling forward the draft London Plan target (prior to the Inspection Panel's recommendations) to 2040. The 'stepping up' of delivery over the first 10 years of the plan period was to deliver against the housing requirement of 1,495 homes per year (as derived from the adopted London Plan target using the standard method).



Rolling forward the annual target from the New London Plan (which is now more certain to be adopted given the stage it has reached in its examination) to 2040, would give an overall target of 20,685 homes (based on an annual 985 requirement). To 'step up' delivery, we will meet the standard method housing requirement in the first 10 years of the plan. Using the standard method to calculate the housing requirement based on the New London Plan, 1,379 homes would be needed per year between 2019/20 and 2028/29. Thereafter, 627 units per year are required to meet the total required using the rolling New London Plan target. Our housing trajectory shows that we can deliver against the standard method housing requirement in the first 10 years of the plan, and over the latter period we will significantly exceed the overall target of 20,685. The basis of our housing trajectory is set out in Part C: Housing Supply.

The housing target will be kept under review using the Housing Delivery Test and an annual 5 Year Housing Land Supply Statement. In accordance with our Local Development Scheme, a review of the City Plan and its housing target will be required within 5 years of its adoption.

2.1.3 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment also support policy 8 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, major positive effects on the objectives of communities, housing and health and wellbeing, and minor positive effects on the objectives of crime reduction and heritage.

2.1.4 Regulation 19 consultation

As set out in the Consultation Statement, a number of comments were received in relation to policy 8. Respondents broadly supported the council's housing target, although concerns over delivery of targets and how commercial and residential targets will interact, alongside building height and amenity policies were raised.

The council has recommended the Inspector to consider a series of Minor modifications that will ensure that policy 8 is clear and that the housing target can be delivered.

2.2 The need for and the delivery of affordable housing

2.2.1 Purpose of the policy

Policy 9 explains how at least 35% of new homes in Westminster will be delivered as affordable housing. It also requires 60% of the affordable units to be “intermediate” housing for rent or sale and 40% to be social rent or London Affordable Rent.

Policy 10 sets out that certain types of commercial development in the Central Activities Zone (CAZ) should also contribute to the provision of affordable housing in Westminster. Policy 10 is designed to balance the need to deliver affordable housing in all parts of Westminster alongside the need for continued commercial growth in the CAZ. It will ensure that major commercial development in the CAZ contributes towards the creation of mixed communities through the provision of affordable housing. This policy has evolved from the council’s existing mixed-use policy contained in the 2016 City Plan.

Policies 9 and 10 are needed in order to help ensure we meet our need for affordable housing and create mixed communities.

It is the council’s view that policies 9 and 10 are consistent with national planning policy, are in general conformity with the New London Plan, and are supported by local evidence.

2.2.2 Justification for the approach taken

2.2.2.1 Relationship to national policy

The NPPF requires local planning authorities to provide for their objectively assessed housing needs. Paragraph 61 is clear that the housing need for those requiring affordable housing should be assessed and reflected in planning policies.

The NPPF defines affordable housing as:

“Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers).”

Paragraph 34 of the NPPF also sets out that “plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required”, and that “such policies should not undermine the deliverability of the plan”.

The PPG sets out a standard methodology for assessing overall housing need (as set out above) and provides guidance on assessing affordable housing need. It states that “strategic policy-making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market”².

The PPG states that “policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106”, and that “affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different types or location of site or types of development”.

2.2.2.2 Relationship to the London Plan

The New London Plan sets out the tenure split supported by the Mayor for affordable housing in Policy H7 “Affordable Housing Tenure” Clause A:

“The following split of affordable products should be applied to residential development:

- 1) a minimum of 30 per cent low cost rented homes, as either London Affordable Rent or Social Rent, allocated according to need and for Londoners on low incomes*
- 2) a minimum of 30 per cent intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared ownership*
- 3) the remaining 40 per cent to be determined by the relevant borough as low cost rented homes or intermediate products (defined in H7 Part A1 and H7 Part A2) based on identified need.”*

The remaining 40% is to be determined by the borough based on identified need. Whilst there is a presumption that this proportion will focus on low cost rented homes given the level of need across London, the London Plan recognises that for some boroughs a broader mix of affordable housing tenures will be more appropriate, either due to viability constraints or because they would deliver a more mixed and inclusive community.

Policies H5 and H6 of the New London Plan set out the Mayor’s approach to delivering affordable housing and the threshold approach to viability.

² Paragraph 019 Housing and Economic Development Needs Assessments

Policy H5 sets a strategic target across London for 50% of new homes to be “genuinely affordable”. This includes the requirement for individual developments on public land to provide 50% affordable housing.

Major developments triggering affordable housing requirements are to be assessed against Policy H6, which sets out the threshold approach. This requires a minimum of 35% of the gross residential development to be provided as affordable housing, rising to 50% on public sector land. Where these thresholds cannot be met, individual viability assessments are required to maximise the level of affordable housing provision.

2.2.2.3 Supporting evidence

The key evidence supporting the council’s approach to affordable housing and policies 9 and 10 includes³:

- Westminster’s Housing Needs Analysis 2019 (June 2019)
- Westminster City Council: Local Plan policies: Viability Review (January 2019)
- Westminster City Council – Local Plan Viability Addendum Note on Affordable Housing (October 2019)
- Westminster City Council – Local Plan Viability Addendum Note on Mixed Use Policy (October 2019)

Westminster’s Housing Needs Analysis 2019

The analysis was completed by the council to enable it to be updated regularly and Wessex Economics were appointed as an independent critical friend to the project and have endorsed its findings. The analysis took account of the NPPF, PPG and local evidence including unique factors to Westminster. It recognises that any assessment of affordable housing requirements will always be an estimate.

The methodology used to calculate the affordable housing requirement is:

- A: Assess the backlog of households waiting to have their needs met now
- B: Assess emerging need i.e. newly forming households and those falling into need
- C: Assess the gross requirement (A + B)
- D: Take away supply from the normal turnover of existing affordable homes (C-D)

There is potential for affordable housing requirements in Westminster to be overestimated due to unique factors in the city. For example, some households will not want to make Westminster their long term home due to them only working or studying here for short periods and others will be ineligible for affordable housing as

³ All evidence papers available at: <https://www.westminster.gov.uk/city-plan-examination-documents>

they have homes elsewhere. Indications of these factors are high rates of churn in Westminster's private rented sector and high proportions of second home ownership.

For these reasons Narrow and Broad range requirements were estimated, with the Narrow estimate based around households that will certainly need affordable housing, and the Broad estimate building on this to include wider groups that may aspire to affordable housing now and in the future.

Given the Narrow estimate was likely to underestimate requirements and the Broad range overestimate them, a Central estimate was developed and is put forward as the most realistic estimate for Westminster (see table 1).

Table 1: Total number of affordable homes required each year (Central estimate)

	Social (need)	Intermediate (demand)	Total	% of total homes needed (annual)
Number	247	316	563	41% ⁴
% of affordable homes required	44%	56%		

For the Central estimate, some potential backlog (A) and emerging need (B) was 'dampened' to take account of factors described above. A 'propensity to stay' and an 'eligibility factor' was applied to exclude households estimated to be short term residents and ineligible for affordable housing.

The Central estimate analysis shows a greater number of intermediate homes are required in the city than social, but it also outlines that the two tenures are not directly comparable as those needing social housing have fewer choices in the housing market compared to those needing intermediate. For this reason, it defines the social housing requirement as 'need' and the intermediate as 'demand'.

The affordable housing requirement

Policy 9 in the City Plan requires 60% of affordable housing to be "intermediate" and 40% "social" for a number of reasons:

1) There is a higher requirement for intermediate than social housing

The analysis found that 316 "intermediate" homes are required annually (56%) compared to 247 "social" homes (44%). While the report sets out that social and intermediate tenures are not directly comparable it acknowledges that there is also overlap between the two tenures and that some households eligible for social housing are also eligible for intermediate.

⁴ As a percentage of the 10-year housing requirement of 1,379 units per year based on the New London Plan housing target for Westminster

2) To help rebalance the housing stock and create more mixed and inclusive communities

Nearly one quarter of Westminster's housing stock is social housing and only an estimated 2% is intermediate housing so there is clear tenure imbalance and an aim to build up the intermediate sector from its low base. While the affordable stock profile is similar to the rest of London⁵, market housing is less affordable in the city for those on moderate incomes compared with London overall. The private market doesn't therefore well serve the 'middle market' which in turn impacts on communities as some people and households will leave the city due to the lack of housing options.

Sixty-seven per cent of Westminster households have an income of between £22.5k and £90k⁶ which is broadly the income range served by intermediate housing⁷. The median income of individuals in Westminster is £36.3k⁸.

Westminster lower quartile property prices are 19.1 times lower quartile earnings and median property prices are 18.29 times median incomes. Westminster is one of the least affordable places in London to buy and is in the bottom 2 - 3 boroughs for affordability⁹. As table 2 shows, only an estimated 1.6% of Westminster households can afford to buy the cheapest 2-bedroom flat.

Table 2: Income needed to buy a lower quartile home in Westminster and London

	1 bed	2 bed
Westminster		
Flat/maisonette¹⁰	£426,625	£600,00
Gross income needed to buy¹¹	£109,542	£154,285
% households that can afford¹²	6.7%	1.6%
London		
All properties	£250,000	£315,000
Gross income needed to buy	£64,286	£81,000
% households that can afford	20.3%	13.1%

Assumptions/data sources for London are as per Westminster above.

⁵ The 2011 Census shows that 1% of the housing stock in Westminster, London and England was shared ownership

⁶ CACI data 2019. Includes all income, not just earned income

⁷ The London Plan 2017 sets out that intermediate housing is for people/households with incomes of up to £90k

⁸ Annual Survey of Household Earnings (ASHE)

⁹ Hometrack October 2019

¹⁰ Hometrack, lower quartile prices 2019

¹¹ Assumes a 10% deposit and a mortgage of 3.5 times earnings

¹² CACI Paycheck data 2019 non equivalised household income

At the same time as table 3 shows, self-contained private rented housing, particularly for family sized housing, is also beyond the means of many Westminster households. Non-related households living together, to make housing affordable, is relatively common and 20% of private tenancies are occupied by multiple households¹³.

Table 3: Income need to rent privately in Westminster and London

	1 bed	2 bed	3 bed
Westminster			
Median rent per week¹⁴	£435	£624	£900
Gross annual income needed¹⁵	£77,400	£108,160	£156,000
% households that can afford	19.1%	6.7%	1.6%
London			
Median rent per week	£312	£381	£461
Gross annual income needed	£53,907	£66,040	£79,733
% households that can afford	31.9%	19.8%	13.1%

Assumptions/data sources for London are as per Westminster above

The lack of affordable housing is likely to contribute to people and households leaving the city. Even though Westminster has significant population churn there is nevertheless a considerable proportion of people who would like to stay in the city. The City Survey 2019 found that 48% of private tenants aged 16-59 felt that they would not have the opportunity to live in an affordable home in Westminster.

The council aims for more families to have housing options in the city. Westminster already has a population skewed towards households without children (81% compared to 70% across London)¹⁶. Large numbers of families are leaving the city, for example over 10% (400) of pre-school children aged 1-3 left Westminster in the single year between 2017-2018. Although the reasons for this are unknown, the lack of affordable housing is likely to play a role.

3) To support the local economy and public services

The economy in Westminster is the largest of any borough in the United Kingdom (UK), with over 700,000 people employed. Westminster contributes 3.2%¹⁷ to the national GVA. Intermediate housing, targeted at a range of income levels, contributes to the effective functioning of the local economy.

¹³ Census 2011

¹⁴ Hometrack October 2019

¹⁵ Assumes housing costs should not exceed 40% of net income and net is 75% of gross

¹⁶ Census 2011

¹⁷ Greater London Economics, Current Issues Note 55: Examining GVA in London's local authorities, in a London and UK context, 1997-2015 (September 2017)

Skills shortages are of particular concern to London employers with over 45% of London's Chief Executive Officers stating that finding the skills they need was top of their business agenda and 78% said they did not have sufficient in-house capabilities¹⁸. 69% of firms said high housing costs in London impacted on their ability to recruit and retain skilled talent¹⁹.

Compared to the UK, London vacancy rates in some professions are well above the UK average, for example the vacancies for secondary teachers are 50% above the UK average, for nurses 29% and social workers 25%²⁰. Thirteen percent of London's public sector positions are in Westminster²¹.

Jobs in the night time economy make up 33% of all London's jobs and 323,900 of these are in the city (15% of all Westminster jobs). Intermediate housing helps to support this sector by enabling employees to live locally and avoiding long and difficult commutes during anti-social hours. Where housing is available closer to where people work this also has positive outcomes in terms of sustainable transport and helps to encourage walking and cycling as attractive travel-to-work options.

Viability

In light of the Mayor's requirements for affordable housing and the threshold approach to viability set out in the New London Plan, we conducted localised viability testing on our Local Plan, including the requirement for affordable housing contributions. This testing was carried out by BNP Paribas on behalf of the council.

The Viability report found that increasing the affordable housing requirement from 30% (in the adopted City Plan) to 35% in line with the Mayor of London's approach would not compromise overall scheme viability in Westminster. It also tested proxy developments in line with the requirements of Policy 10 (as drafted at informal consultation stage in 2018) to enable the council to consider thresholds at which the policy should apply.

Following this and with input from the development industry via our informal consultation and further engagement, we re-drafted the policy thresholds based on clear presumption that only major development should contribute to affordable housing. Furthermore, on-site provision would only begin at a level of net floorspace able to accommodate residential use without prejudicing the commercial element of the scheme and which would result in the delivery of an appropriate number of units able to be managed by Registered Providers of affordable housing.

¹⁸ London Business Survey 2019, Confederation of British Industry

¹⁹ From: Skills Strategy for Londoners Evidence Base 2018 GLA

²⁰ Small Business Prices, 2019 UK skills shortage & demand by region
<https://smallbusinessprices.co.uk/uk-skills-shortage/>

²¹ IDBR, published in 2018

This resulted in a stepped approach to contributions, based on net gains in commercial floorspace and based on the differing viability of office and hotel development. Office development over 1,000sq m net increase would contribute between 15% and 35% of equivalent net floorspace as a payment in lieu up to 2,750sq m, whereupon on-site units would be provided equivalent to 35% of the net floorspace. Hotel developments would begin to contribute the equivalent of 15% of net floorspace at a higher threshold of 2,500sq m, providing on-site units at over 6,500sq m, again at 15% of the net floorspace.

In response to comments received at Regulation 19 consultation stage we conducted further viability testing to confirm the initial Viability Report's indications that to raise the requirement higher than 35% would begin to prejudice overall deliverability, as there would not be a clear majority of the schemes tested that could demonstrate viability.

The stepped approach to Policy 10 was based on the indications of the initial viability report. However, in response to Regulation 19 consultation comments, we also undertook further testing of proxy schemes in line with the stepped approach to commercial development in the CAZ as drafted in Policy 10. This confirmed that a separate approach for office and hotel development was both necessary and viable.

2.2.3 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment also support policies 9 and 10 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policies on IIA objectives, and major positive effects on the objectives of communities, housing and health and wellbeing.

2.2.4 Regulation 19 consultation

As set out in the Consultation Statement, a number of comments were received in relation to policy 9. Respondents broadly supported the council's ambition for a higher delivery of affordable homes. Concerns were however raised in relation to the 35% target as some respondents considered it was too ambitious and some others that it was not ambitious enough.

Comments were also raised in relation to the situations that would trigger a contribution, whether or not it applied to changes of use, how contributions would be calculated and how the targets should be applied. Respondents also raised issues concerning the practicality of on-site delivery in certain circumstances. A number of respondents also questioned the viability evidence and the tenure split.

The council has recommended the Inspector to consider a series of Minor modifications that will ensure that policies 9 and 10 are clear and that the affordable housing target can be delivered.

2.3 The housing need of specific groups: older people and students

2.3.1 Purpose of the policy

Policy 11 explains how the council will meet Westminster's housing needs for different groups including older people and students.

Policy 11 is needed in order to ensure we meet our identified housing needs for different groups including older people and students.

It is the council's view that policy 11 is consistent with national planning policy, is in general conformity with the New London Plan, and is supported by local evidence.

2.3.2 Justification for the approach taken

2.3.2.1 Relationship to national policy

The NPPF requires planning authorities to take different groups of people's housing needs into account in planning policies, including older people and students.

This is set out in Paragraph 61 of the NPPF:

“Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).”

Older People

The NPPF defines older people broadly, ranging from the newly retired to those needing specialised housing. The PPG highlights the need for boroughs to take into account population projections when assessing older persons requirements and to break down need by tenure.

Students

The PPG sets out the different types of student accommodation that may be needed and should be planned for. It highlights that student accommodation can take pressure off demand for private rented housing and that options which support the needs of the student population and local residents should be considered.

There is also an expectation of engagement with local educational establishments to understand student accommodation requirements.

2.3.2.2 Relationship to the London Plan

Older People

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor's response to the panel's recommendations are not known at this stage, limited changes to the approach to gypsies and travellers housing needs affecting Westminster have been recommended.

The New London Plan sets out that London needs appropriate accommodation to meet the needs of older Londoners as their numbers are projected to grow. London-wide research estimates that 4,000 specialist older persons units are needed each year until 2029. Annual benchmarks are provided for each borough to assess their delivery against and an annual need for 100 units is identified for Westminster.

Policy H15 "Specialist older persons housing" explains how boroughs should *"work positively and collaboratively with providers to identify sites which may be suitable for specialist older persons housing taking account of:*

- 1) *local and strategic housing needs information including data on the local type and tenure of demand, and the indicative benchmarks set out in Table 4.4*
- 2) *the need for sites to be well-connected in terms of contributing to an inclusive neighbourhood, access to relevant facilities, social infrastructure, health care and public transport facilities are well served by public transport*
- 3) *the increasing need for accommodation suitable for people with dementia."*

Clause B in policy H15 also explains what provision should deliver.

Students

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor's response to the panel's recommendations are not known at this stage, limited changes to the approach to gypsies and travellers housing needs affecting Westminster have been recommended.

The draft New London Plan identifies a requirement for 3,500 student bed spaces annually across London, established through the work of the Mayor's Academic Forum. This is not broken down into borough level targets given that the location of need could change.

Policy H17 "Purpose-build student accommodation" explains how boroughs should *"seek to ensure that local and strategic need for purpose-built student accommodation is addressed, provided that:*

- 1) *at the neighbourhood level, the development contributes to a mixed and inclusive neighbourhood*
- 2) *the use of the accommodation is secured for students*
- 3) *the accommodation is secured through a nomination agreement for occupation by students members of one or more specified higher education provider institutions*
- 4) *at least 35 per cent of the maximum level of accommodation is secured as affordable student accommodation as defined through the London Plan and associated guidance,*
 - a. *to follow the Fast Track Route, at least 35 per cent of the accommodation must be secured as affordable student accommodation or 50 per cent where the development is on public land or industrial land appropriate for residential uses in accordance with Policy E7 Industrial intensification, co-location and substitution*
 - b. *where the requirements of 4a above are not met, applications must follow the Viability Tested Route set out in Policy H6 E Threshold approach to applications.*
- 5) *the accommodation provides adequate functional living space and layout.”*

The reasoned justification to policy H17 explains how student accommodation is an element of the overall housing need for London determined in the 2017 London SHMA.

2.3.3 Supporting evidence

Older People's Accommodation

Key evidence supporting the council's approach to older people's accommodation and policy 11 includes:

- [Westminster's Housing Needs Analysis 2019](#) (June 2019)

The council's assessment identifies that the number of older people is projected to grow, with the greatest increases in the 75+ age group - from 13,466 in 2017 to 20,534 in 2030. It is also estimated that 25% of older people have a low income and may need affordable housing and that there will be an increase in people with dementia amongst those over 65 - from 1,810 suffers in 2015 to 3,060 by 2030.

The analysis however emphasises the need for caution with these projections as they could be over-inflated and that these concerns are shared by the GLA. There is a possibility that they include, for Westminster, an over-allocation of older international migrants, as the older population is growing less quickly when compared with other data sources, such as GP registers.

As it is unlikely that a true picture will be known until the 2021 Census, the analysis doesn't set an overall target for older persons housing but gives indicative requirements for different types of older persons affordable housing (see below). It

also highlights that mainstream housing that meets the needs of older people is also needed.

- **Sheltered housing:** this is included in the assessment of social housing requirements in table 1 above which includes an estimate that 13 new social sheltered homes are needed annually. The estimate considers population growth and the trend for more low-income older people from the private rented sector joining the housing list. However, it also acknowledges that although the number of older people on the housing list has recently fallen, it is too early to tell if this trend will continue.
- **Extra care housing:** the analysis estimates that 66 new units are needed now and that a further 37 are needed over the next decade if the population estimates are correct.
- **Nursing and residential housing:** the national methodology which scales supply to population suggests that Westminster could have an under supply of 231 residential units and 367 nursing beds. However, it highlights that these figures need to be moderated by the choices people make (i.e. moving outside Westminster) and the alternatives available, i.e. extra care and 'aging in place', which may result in residential care becoming more of a temporary intervention.

Given the uncertainties the requirement for older persons' affordable housing is an area which the council will keep under review.

Student Accommodation

Key evidence supporting the council's approach to student accommodation and policy 11 includes:

- [Westminster's Housing Needs Analysis 2019](#) (June 2019)

Westminster's Housing Needs Analysis shows that, whilst there is a significant student population in Westminster and there are a number of higher education providers in the city, there are likely to be more post-graduates than the national average, and Westminster students are therefore likely to be older than in the UK as a whole. The analysis also shows that, for the bulk of Westminster's student population, the private rented sector continues to meet accommodation need. Only 27% of undergraduates and 16% of post-graduates live in stock provided by higher education providers (i.e. purpose-built student accommodation), with the remainder living either at home or in private rented sector accommodation.

Additionally, according to the Higher Education Statistics Authority 2019, there are 18,300 students with a term time address in Westminster and at least 50% live in the private rented sector. Given the range of transport options in the city and London as a whole, the analysis finds that there is no reason why those studying in Westminster

need to live in the city and subsequently no compelling reason to set targets for provision. Similarly, it finds no evidence that student numbers are having an adverse impact on Westminster's housing market or that students adversely impact longer term residents, through competing for property.

Recent years have seen a general loss of student accommodation in favour of other uses, primarily conventional residential housing or academic/ teaching facilities.

2.3.4 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment (IIA) also support policy 11 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, and major positive effects on the objectives of communities, housing, and health and wellbeing.

The Equalities Impact Assessment Addendum to the IIA explains how the council assessed if any policies in the City Plan will result in a less favourable outcome on any group with a protected characteristic including age and gypsies and travellers, among others. The report also supports policy 11 of the City Plan. As set out in Section 6 of that document, the policy is likely to have a positive impact on older people and students.

2.3.5 Regulation 19 consultation

As set out in the Consultation Statement, policy 11 on older people and student accommodation was broadly supported. Concerns were raised about the approach to purpose-built student accommodation as some respondents considered it was not in conformity with the New London Plan policy and that the affordability levels required were too high.

The council has recommended the Inspector to consider a series of Minor modifications that will ensure that policy 11, in relation to student accommodation, is clear, including how it is in general conformity with the New London Plan.

2.4 The housing needs of specific groups: Gypsies & Travellers

2.4.1 Purpose of the policy

Policy 11 explains how the council will meet Westminster's housing needs for different groups including gypsies and travellers based on an identified need.

Policy 11 is needed in order to ensure we meet our identified housing needs for different groups.

It is the council's view that policy 11, in relation to gypsies and travellers, is consistent with national policy, although a full needs assessment has not been carried out as part

of the revision to the City Plan – the policy is based on evidence produced for the New London Plan.

2.4.2 Justification for the approach taken

2.4.2.1 Relationship to national policy

The NPPF requires planning authorities to take travellers' housing needs into account in planning policies, as set out in Paragraph 61.

The NPPF explains that the Government's national Planning Policy for Traveller Sites (PPTS) needs to be followed when assessing their housing needs. The PPTS defines gypsies and travellers as follows:

“Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family's or dependants' educational or health needs or old age have ceased to travel temporarily, but excluding members of an organised group of travelling show people or circus people travelling together as such”.

The PPTS seeks to preserve “traditional and nomadic” traveller communities through inclusive integration into settled communities, through the identification and the protection of appropriate/inappropriate land sites for travellers.

The PPTS explains that “planning authorities should make their own assessment of need for the purposes of planning” and, where suitable, help meet the needs of this community by identifying sites.

Policy A “Using evidence to plan positively and manage development” explains how local planning authorities should engage and cooperate with travellers, their representative groups and other local planning authorities when preparing a robust evidence for its planning policies on travellers.

Policy B explains how the housing need evidence should be used when preparing Local Plans. This is set out in paragraph 9:

“Local planning authorities should set pitch targets for gypsies and travellers as defined in Annex 1 and plot targets for travelling show people as defined in Annex 1 which address the likely permanent and transit site accommodation needs of travellers in their area”.

Policy B further explains the criteria local planning authorities should follow when allocating pitches. Policy D sets out how planning applications should be decided regarding travellers' sites.

Although the council has not carried out a need assessment for gypsies and travellers, the council is confident it was not needed given the available evidence of need

produced by the Mayor and the lack of representations in relation to this matter at both informal and Regulation 19 consultation (further details can be found in section 2.4.4). Policy 11J of the City Plan is however positive and flexible and explains how applications for pitches or sites would be assessed in accordance with national policy.

2.4.2.2 Relationship to the London Plan

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor's response to the panel's recommendations are not known at this stage, limited changes to the approach to gypsies and travellers housing needs affecting Westminster have been recommended.

The New London Plan definition of gypsies and travellers departs from the PPTS definition. A definition is provided in policy H16 "Gypsy and Traveller accommodation" Clause B:

"People with a cultural tradition of nomadism, or living in a caravan, whatever their race or origin, including: 1) those who are currently travelling or living in a caravan 2) those who currently live in bricks and mortar dwelling households whose existing accommodation is unsuitable for them by virtue of their cultural preference not to live in bricks and mortar accommodation 3) those who, on grounds of their own or their family's or dependants' educational or health needs or old age, have ceased to travel temporarily or permanently".

Clause A in policy H16 "Gypsy and Traveller accommodation" explains how *"local authorities should assess and meet the need of permanent Gypsy and Traveller pitches within the borough defined by a mandatory ten- year pitch target in their Development Plan documents"*.

Clause C further explains how boroughs that have not undertaken a gypsies and travellers housing need assessment since 2008 should identify need by either undertaking an assessment within the first two years of the New London Plan period or by using the midpoint figure of need for Gypsy and Traveller accommodation provided in Table 4.4A of the New London Plan until an assessment is undertaken as part of the Local Plan review process.

Table 4.4A of the New London Plan references the accommodation need figures for gypsies and traveller pitches published as part of the "London Boroughs' Gypsy and Traveller Accommodation Needs Assessment March 2008".

Clause C requires councils to undertake an audit of pitches and sites used by gypsies and travellers and Clause D urges councils to actively plan to protect the group.

The New London Plan Panel of Inspectors considers that the definition of gypsies and travellers contained in the New London Plan should be consistent with national policy

and recommends the Mayor to delete clause B. The report also recommends the Mayor of London to lead on a new London-wide accommodation assessment for gypsies and travellers and suggests boroughs then set targets in their Local Plans based on the new identified need.

Policy 11J of the City Plan is based on the figures for Westminster published as part of the “London Boroughs’ Gypsy and Traveller Accommodation Needs Assessment March 2008”. The council has not carried out any further needs assessment as further explained in 2.4.2.3.

2.4.2.3 Supporting evidence

The City Plan does not allocate sites for gypsies and travellers as we have not identified need based on existing evidence. The policy has therefore been devised as flexible enough to allow for new pitches if a need is identified.

Key evidence supporting the approach set out in policy 11J includes:

- [London Boroughs’ Gypsy and Traveller Accommodation Needs Assessment](#) (March 2008) known as the Fordham study;
- Traveller caravan count (MHCLG); and
- Westminster’s Planning Applications Database (WCC, 2019).

Fordham study

The Fordham study carried out a Gypsy and Traveller Accommodation Needs Assessment (GTANA) for London. The study was commissioned by the Mayor of London, on behalf of 33 London boroughs.

The report was published in March 2008 and did not identify any occupied residential site pitches in Westminster. The housing need figure for Gypsy and Traveller Accommodation in Westminster was equal to zero. It is important to note that this assessment was carried out using the previous planning policy definition of gypsies and travellers, which aligned with that proposed in the New London Plan, prior to the Inspection Panel’s Report.

Traveller caravan count

The Ministry of Housing, Communities and Local Government carries out a statistical count of the number of caravans on both authorised and unauthorised sites across England twice per year, in January and July.

The total number of caravans identified in Westminster between 2013 and 2019 has always been zero. The count has not identified any sites provided by either the council or private providers in Westminster since 2013.

Westminster's Planning Applications Database

We have used Westminster's Planning Applications Database to check how many pitches and sites have applied for or been granted planning permission for the use of gypsies and travellers in Westminster. Between 2013 and 2019, no permissions have been granted.

Three different pieces of secondary evidence have not identified any gypsy and traveller sites in Westminster. The housing need figure for this group has historically been equal to zero in Westminster. Accordingly, the council has not considered it necessary to carry out a more detailed housing need assessment for gypsies and travellers.

2.4.3 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment (IIA) also support policy 11 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, and major positive effects on the objectives of communities, housing, and health and wellbeing.

The Equalities Impact Assessment Addendum to the IIA explains how the council assessed if any policies in the City Plan will result in a less favourable outcome on any group with a protected characteristic including age and gypsies and travellers, among others. The report also supports policy 11 of the City Plan. As set out in Section 6 of that document, the policy is likely to have a positive impact on gypsies and travellers.

2.4.4 Regulation 19 consultation

As set out in the Consultation Statement, at Regulation 19 stage, in relation to gypsies and travellers only the Mayor of London commented on it as he considered that the council should carry out a Gypsy and Traveller Needs Assessment and identify land to meet their needs in line with the New London Plan.

As explained in section 2.4.2.3, the council considers that a full housing gypsy and travellers need assessment is not required, given that the need identified in the new London Plan is zero, existing evidence suggests that this continues to be the case, and that the policy as drafted is positive and flexible enough to assess individual applications against. The council's evidence base on this policy is therefore considered to be proportionate to the issue. We consider the issue of gypsy and traveller accommodation to be a cross-boundary strategic issue that should be addressed by the London Plan, and a needs assessment should be carried out at a pan-London level. The council notes the Panel of Inspector's Report recommendations and will fully cooperate with the Mayor of London in carrying out a London-wide housing need assessment for gypsies and travellers.

2.5 The need for self and custom build homes

2.5.1 Purpose of the policy

Policy 12 positively supports self-build and custom-build homes alongside other innovative forms of housing delivery.

2.5.2 Justification for the approach taken

2.5.2.1 Relationship to national policy

NPPF Paragraph 61 includes the need to plan for people who wish to commission or build their own homes.

Under the Self-build and Custom Housebuilding Act 2015 (as amended), the council is obliged to keep a register of individuals and associations of individuals seeking to acquire serviced plots of land in Westminster to build their own homes. There is also a duty on the council to give suitable development permission in respect of enough serviced plots of land to meet the demand for self-build and custom housebuilding in the authority's area.

Since registers were first introduced, the government have altered the rules relating to their content, introducing a 'local connection test' and allowing councils to charge a fee to apply to join or remain on the register. This has the effect of splitting the register into 'Part 1' and 'Part 2', with 'Part 1' being the fee paying and more restricted part. 'Part 2' of the register is no longer subject to the duty to ensure suitable development permissions are given to ensure plots of land are available. Westminster is planning to introduce these measures in due course, which are likely to provide a more realistic picture of actual demand.

2.5.2.2 Relationship to the London Plan

Policy H2 of the New London Plan supports the delivery of small sites, including those for custom and self-build homes. It encourages boroughs to:

- identify and allocate appropriate small sites for residential development;
- list these small sites on their brownfield registers; and
- grant permission in principle on specific sites or prepare local development orders.

2.5.2.3 Supporting evidence

Key evidence supporting the council's approach to self and custom-build includes:

- Westminster's Self-Build Register

Westminster's Self-Build Register

There are currently 157 entries on Westminster's Self-Build and Custom Register. Of these, 34% provided an address in Westminster, a further 59% provided an address within Greater London but outside Westminster, and 7% provided an address located elsewhere.

Table 4: Westminster's Self-Build Register

	2016-17	2017-18	2018-19	2019-20	Total
Westminster address	4	19	17	13	53
Greater London address (excluding Westminster)	18	32	24	19	93
Other or no address	0	6	3	2	11
Total	22	57	44	34	157

However, until the changes to the register mentioned above relating to a local connection test are in effect, it is not possible to say with certainty what the demand for self-build and custom housebuilding is in Westminster, although it is likely to be lower than the current numbers on the register. It is also not possible to consider whether the duty to provide suitable development permissions applies to all those currently on the register as it is not known how many will wish to stay on the register or join the more restricted part once the changes are enacted.

2.5.3 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment also support policy 12 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, and major positive effects on the objectives of communities and housing.

2.5.4 Regulation 19 consultation

As set out in the Consultation Statement, consultees broadly support the council's policy on innovative housing delivery.

3 Part B: Housing Size

The NPPF requires planning authorities to take the size of housing needed into account in planning policies.

This is set out in Paragraph 61 of the NPPF:

“Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers²⁵, people who rent their homes and people wishing to commission or build their own homes²⁶).

To meet our housing need, a large number of new homes are needed in Westminster. Housing policies in the City Plan and size-related thresholds therefore seek to optimise the delivery of new provision, ensuring that land is efficiently used, and that higher density living is of a high quality. They will also help provide the right types of homes for the people that need them and make sure they provide for sustainable communities.

3.1 The 200 sq m maximum size limit

3.1.1 Purpose of the policy

Policy 8B restricts the size of new homes to 200 sq m Gross Internal Area (GIA), except where it is necessary to protect a heritage asset.

Policy 8B is needed to ensure that land is efficiently used, and that the provision of housing is optimised, and to ensure that we create successful high-density and sustainable places. We consider that the policy will still enable generously sized homes to be developed to meet demand from the prime market, but balances that against the other, more strategic housing needs of the city.

It is the council’s view that policy 8B is consistent with national planning policy, is in general conformity with the New London Plan, and is supported by local evidence.

3.1.2 Justification for the approach taken

3.1.2.1 Relationship to national policy

NPPF Paragraph 122 explains that “planning policies and decisions should support development that makes efficient use of land”. The NPPF further explains how planning authorities need to optimise the use of sites. This is set out in Paragraph 123:

“Where there is an existing or anticipated shortage of land for meeting identified housing needs, it is especially important that planning policies and decisions

avoid homes being built at low densities and ensure that developments make optimal use of the potential of each site”.

NPPF Paragraph 72 b) also requires planning authorities to ensure that the size of new homes “and location will support a sustainable community”.

3.1.2.2 Relationship to the London Plan

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor’s response to the panel’s recommendations are not known at this stage, limited changes to the housing policies in relation to size and efficient use of land directly affecting Westminster have been recommended.

The New London Plan first chapter policies seek “to ensure that London’s growth is Good Growth”.

Policy GG2 ‘Making the best use of land’ explains how planning authorities should optimise densities and make the best of use land:

“To create successful high-density, sustainable mixed-use places that make the best use of land, those involved in planning and development must:

[...]

B proactively explore the potential to intensify the use of land, including public land, to support additional homes and workspaces, promoting higher density development, particularly in locations on sites that are well-connected to jobs, services, infrastructure and amenities by public transport, walking and cycling to other infrastructure and services

BA applying a design-led approach to determine the optimum development capacity of sites.

[...]”

Policy D1B ‘Optimising site capacity through the design-led approach’ explains how good design needs to be used to make the most efficient use of land:

“The design-led approach

D6A A All development must make the best use of land by following a design-led approach that optimises the capacity of sites, including site allocations. The design-led approach requires consideration of design options to determine the most appropriate form of development that responds to a site’s context and capacity for growth, and existing and planned supporting infrastructure capacity

(as set out in Policy D1A), and that best delivers the requirements set out in Part B.

[...]”

Other spatial, design and housing policies in the New London Plan also seek to ensure effective use of land.

The only changes to the above-mentioned policies recommended by the New London Plan Panel of Inspectors’ report is that policy GG2 is re-presented as an objective rather than policy. The Panel of Inspectors considers that the design policies will help deliver development and regeneration.

3.1.3 Supporting evidence

A size restriction is specially needed in Westminster as the city’s position in the global housing market can create demand for super-size properties that do not optimise development of our scarce land resources.

Key evidence supporting the approach set out in policy 8B includes:

- [The Prime residential market in Westminster report](#) (Ramidus for WCC, 2014);
- Westminster’s Planning Applications Database (WCC, 2019);
- [The Nationally Described Space Standards](#) (DCLG, 2015).

The Prime Residential Market in Westminster

In 2013, the council commissioned Ramidus Consulting Ltd to conduct research into the prime residential market in Westminster in order to investigate the balance of housing provision in the city. Their 2014 report shows that a relationship exists between size and value. According to the report, between 2010 and 2012, properties valued more than £5 million are significantly larger than the average size of a home sold in Westminster; homes valued at £2-£5 million are comparable to the average size and properties under £2 million are smaller. Westminster’s highest value homes are larger than other boroughs’ highest value homes.

The report also explains how the average unit size for new developments completed since 2000 has changed over time and the average size of a new homes in Westminster has increased:

“We analysed average unit size for developments completed since 2000. This comprised 5,218 individual units and an annual average unit size varying between 87 sq m and 150 sq m. Since 2007 the size range has been between 92 sq m and 150 sq m. While we did not find a consistent increase in average

unit size year-on-year, there is a clear trend towards larger units over the period”.

The findings of the report suggest a high number of large homes have been built in Westminster and that the average size has increased.

Nevertheless, the report also shows that the Westminster’s overall housing market, and particularly the prime market would not be overly restricted by a cap on the size of new properties. This is demonstrated by the fact that prime property transactions only accounted for 8% of sales between 2003 and 2012, and that less than 10% of sales of prime property were new build homes. The prime market therefore generally operates on sales of existing stock.

Westminster’s Planning Applications Database

We have used our Planning Applications Database to calculate the average unit size²² of new-build homes in Westminster during the period 2013-2019. Table 5 shows the results.

Table 5: Average new-build unit size by completion year in Westminster

Average unit size (sq m)	
2013/14	158
2014/15	168
2015/16	164
2016/17	184
2017/18	140
2018/19	131
Grand Total	159

The average unit size for new-build homes in Westminster between 2013 and 2019 has been 159 sq m. The size band with the most permissions is between 50-99 sqm (332 permissions) and 78% of the new-build homes are below the 200 sq m threshold. Table 6 shows the results.

Table 6: No. of permissions for C3 units by floorspace range, 2013-19

Floorspace (sq m)	Number of permissions per C3 floorspace band
up to 49 sqm	119
50-99 sqm	332
100-149 sqm	266
150-199 sqm	109
200-299 sqm	100

²² This has been calculated by dividing the number of total proposed floorspace by the total number of proposed units. We have only included residential permissions with a net gain of one or more units. We acknowledge figures may be slightly inflated as the figures include non-habitable floorspace.

300-499 sqm	67
500-999 sqm	44
1000+ sqm	22
Total	1059

Although we do not have historic figures, 100 sq m has been considered a reasonable average size for private market tenure homes since the Core Strategy was adopted in 2011 when the 1,000sqm threshold for affordable housing contributions was introduced as a comparator to 10 units. The council therefore considers that the average unit size in Westminster has increased over time.

The 200 sq m limit is also 62 sq m above the highest minimum standard in the NDSS which is set at 138 sq m (equivalent to a three storey, six-bedroom home). It is therefore considered that the 200 sq m is a fair size limit for new homes as it is higher than the historic and more recently built average size of a private home in the city and is also 62 sq m above the highest NDSS minimum average size of a private new-build home. The 200 sq m threshold still enables generously sized homes to be developed and meet the market demand whilst balancing that against other types of housing need.

3.1.4 Integrated Impact Assessment

The findings of the City Plan's Integrated Impact Assessment also support policy 8 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, and major positive effects on the objectives of communities, housing and health and wellbeing.

3.1.5 Regulation 19 consultation

As set out in the Consultation Statement, there has been some criticism from consultees at Regulation 19 stage but the size limit for new-build homes has also been welcomed by a wide range of consultees.

Some consultees believe that the policy is too restrictive, and that the council should allow a small number of large flats where this may contribute to the deliverability of schemes. Some consultees also believe a blanket approach is not appropriate and that the size of flats should be assessed on a case-by-case basis.

The council considers that the policy is flexible enough and that it still allows for generously sized homes whilst optimising site densities.

3.2 Family-sized homes and studios

3.2.1 Purpose of the policy

Policy 11 B requires that 25% of the new homes delivered across the city are family sized and that studios do not make up more than 10% of the new homes within a single development. Policy 9 G states that the size of affordable homes (including the number of bedrooms required) will be provided in line with the council's Annual Affordable Housing Statement.

Policy 9 G and 11 B are needed in order to ensure that homes are adaptable and that we provide a sufficient number of homes for growing families.

It is the council's view that policies 9 G and 11 B are consistent with national planning policy, are in general conformity with the London Plan, and are supported by local evidence.

3.2.2 Justification of the approach taken

3.2.2.1 Relationship to national policy

NPPF Paragraph 61 requires local planning authorities to take the size of housing needed into account in planning policies, including when considering the needs of families.

The PPG "Housing needs of different groups" provides further advice on planning for the needs of different groups (including families).

3.2.2.2 Relationship to the London Plan

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor's response to the panel's recommendations are not known at this stage, limited changes to the housing policies in relation to size and efficient use of land directly affecting Westminster have been recommended.

Policy H12 'Housing size mix' explains how applicants and local planning authorities should consider the mix of homes in terms of sizes that are needed when assessing specific housing schemes. This is set out in clause A of Policy H12:

"Schemes should generally consist of a range of unit sizes. To determine the appropriate mix of unit sizes in relation to the number of bedrooms for a scheme, applicants and decision-makers should have regard to:

- 1) *robust local evidence of need where available, or where this is not available, and the range of housing need and demand identified by the 2017 London Strategic Housing Market Assessment*

- 2) *the requirement to deliver mixed and inclusive neighbourhoods*
- 3) *the need to deliver a range of unit types at different price points across London*
- 4) *the mix of uses in the scheme*
- 5) *the range of tenures in the scheme*
- 6) *the nature and location of the site, with a higher proportion of one and two bed units generally more appropriate in locations which are closer to a town centre or station or with higher public transport access and connectivity*
- 7) *the aim to optimise housing potential on sites*
- 8) *the ability of new development to reduce pressure on conversion sub-division and amalgamation of existing stock*
- 9) *the role of one and two bed units in freeing up family housing.”*

Clause C of Policy H12 ‘Housing size mix’ recommends local planning authorities not to set out city-level targets for different types of homes in terms of size:

“Boroughs should not set prescriptive area-wide dwelling size mix requirements (in terms of number of bedrooms) for market and intermediate homes.”

Clause D of Policy H12 ‘Housing size mix’ recommends local planning authorities to provide guidance on the mix of affordable units needed:

“D For low cost rent, boroughs should provide guidance on the size of units required (by number of bedrooms) to ensure affordable housing meets identified needs.”

The Panel of Inspectors considers that the criteria set out in clause A of the policy are justified and will “help deliver a site-specific housing size mix” (see paragraph 254). They also consider that the requirement in clause D is justified and will help authorities meet their housing needs. The Panel of Inspectors however considers that clause C of the policy is too onerous and that it should be deleted as explained in paragraphs 257 and 258:

“257.However, restricting boroughs in this way could undermine their ability to respond to local need, in particular, the provision of larger dwellings suitable for families, given that higher rates of return may influence developers to concentrate on smaller dwellings. Site allocations could deviate from any area wide size mix requirements where justified through the application of policy H12 part A criteria and the design led approach. Further, any area wide

requirements would have to be based on robust evidence and subject to examination.

258. For these reasons, the requirement of H12 part C seems to be particularly onerous. Enabling boroughs to set local area wide size mix targets for market and intermediate housing, where locally justified, would be a legitimate approach and could assist in enabling local need to be met. Therefore, H12 part C should be deleted [PR13].”

3.2.3 Supporting evidence

Key evidence supporting the approach set out in policies 9 G and 11 B includes:

- Westminster’s Housing Need Analysis (WCC, 2019);
- Westminster’s Planning Applications Database;

Westminster’s Housing Need Analysis²³

The analysis shows how Westminster has more one and two-bedroom homes than the average in London and less family-sized homes than other boroughs.

The study identifies that there is a need and demand for family sized homes in Westminster. The study also shows how demand for family-sized accommodation is most acute for social housing rather than for intermediate housing.

The council considers that a target of at least 25% family-sized homes across all tenures will help towards rebalancing the stock and ensuring we build a mix of homes in terms of sizes.

Westminster’s Planning Applications Database (WCC, 2019)

We have used our Planning Applications Database to check the sizes of the homes we have delivered since 2013.

Table 7: Completions per size each year (2014-2019)

Year	% Studio	% 1 bed	% 2 bed	% 3 bed	% 4 bed	% Total units
14/15 Completion	3.32%	26.59%	34.00%	28.21%	7.88%	100.00%
15/16 Completion	2.66%	30.23%	33.07%	27.93%	6.12%	100.00%
16/17 Completion	3.37%	25.91%	33.97%	28.62%	8.13%	100.00%
17/18 Completion	3.32%	33.11%	32.73%	24.43%	6.41%	100.00%

²³ See Section 5: The size of new homes

18/19 Completion	2.78%	26.02%	36.15%	26.32%	8.74%	100.00%
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Between 2014 and 2019, the number of two-bedroom homes delivered was higher than the number of homes of other sizes, although in 2017/18, the majority were one-bedroom homes. Although we are delivering a different mix of units, there is a tendency to build one and two-bedroom homes with both sizes accounting for about 60% of the stock each year. This shows that there is a need to continue to build family-sized homes to ensure a mix of unit sizes continues to be delivered in Westminster. The percentage of new-build studios is about 3% per year.

3.2.4 Integrated Impact Assessment

The Integrated Impact Assessment supports policies 9 and 11. As set out in Annex 1 of that document, it identifies overall no negative effects of the policies on IIA objectives, and major positive effects on the objectives of communities, housing and health and wellbeing.

3.2.5 Regulation 19 consultation

As set out in the Consultation Statement, consultees broadly support the council's policies on mix of sizes (including policies 9 G and 11 B) and their goal of protecting family-sized accommodation.

Some consultees raised however concerns at Regulation 19 stage in relation to the application of the 25% target for family-sized homes. The council agreed that the policy was not clear, and that the wording needed to be clarified to reflect that it is not always possible to meet the target within single schemes. The council however expects the target to be met across the city and will monitor the implementation of this policy through its Authority Monitoring Report. Some comments raised concerns in relation to the conformity of the target with the New London Plan policy but the council is confident the city-wide target is justified and well-evidenced and will help deliver an appropriate housing size mix as highlighted by the New London Plan Panel of Inspectors' report.

3.3 The Nationally Described Space Standards (NDSS)

3.3.1 Purpose of the policy

Policy 13 C adopts the Nationally Described Space Standards in Westminster.

Policy 13 C is needed in order to ensure that new homes are of a minimum quality and have adequate-size rooms.

It is the council's view that policy 13 C is consistent with national planning policy, is in general conformity with the London Plan, and is supported by local evidence.

3.3.2 Justification for the approach taken

3.3.2.1 Relationship to national policy

The Government's PPG on "Housing: optional technical standards" explains that local planning authorities that wish to require an internal space standard, should reference in their Local Plan the Nationally Described Space Standards²⁴. It also explains that local planning authorities should "provide justification for requiring internal space policies" which should consider need, viability and timing.

The NDSS deal with internal space within new self-contained dwellings, are suitable for application across all tenures and are minimum standards. The document sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy.

The NDSS ensure that new homes are of a minimum quality and have adequately-sized rooms. This is especially relevant in Central London and therefore Westminster where there is a high need for more homes, the cost of housing has substantially increased, and developers may decide to build smaller homes in order to deliver as many units as possible on limited land.

3.3.2.2 Relationship to the London Plan

Although the New London Plan is yet to be adopted, its examination has now concluded, and the Panel of Inspectors report published. While the Mayor's response to the panel's recommendations are not known at this stage, limited changes to the housing policies in relation to the space standards and directly affecting Westminster have been recommended.

Policy D4 2 "Housing quality and standards" adopts the NDSS in London and sets out:

"Housing development should be of high-quality design, and provide adequately-sized rooms (see Table 3.125), with comfortable and functional layouts, which are fit for purpose and meet the needs of Londoners, without differentiating between tenures" (clause B).

The Panel of Inspectors considers that the approach is adequate and will help deliver high quality homes. This is set out in paragraph 263:

²⁴ See <https://www.gov.uk/government/publications/technical-housing-standards-nationally-described-space-standard>

²⁵ Table 3.1. aligns with the Nationally Described Space Standards.

“Some policy provisions are included within the current Plan or the Housing Supplementary Planning Guidance. The private internal space and accessibility standards are a continuation of current Plan policy and generally align with the Nationally Described Space Standard¹¹⁴. They were subject to the rigours of a previous examination¹¹⁵ and the evidence base was found to be proportionate and robust. They have proved to be effective in ensuring quality and sustainability of new housing. No change in circumstances is suggested to indicate that they are no longer justified and no evidence that it would not be viable to meet them is before us”.

3.3.3 Supporting evidence

Policy 13 C (incorporating modifications set out in the schedule of Minor Modifications) adopts the NDSS published by the Government and that the New London Plan adopts in London as a whole. It is considered that sufficient evidence has been produced and discussed by both the Government and the Mayor of London to justify the approach in Westminster. The council has relied on that evidence and has also tested the approach via our whole-plan viability assessment.

3.3.4 Integrated Impact Assessment

The findings of the City Plan’s Integrated Impact Assessment also support policy 13 of the City Plan. As set out in Annex 1 of that document, it identifies overall no negative effects of the policy on IIA objectives, and major positive effects on the objectives of communities, housing and health and wellbeing.

3.3.5 Regulation 19 consultation

As set out in the Consultation Statement, consultees support the adoption of the NDSS in Westminster.

Some consultees however raised concerns at Regulation 19 stage in relation to the circumstances in which the NDSS should be applied. The council agreed that the policy was not clear. A series of minor modifications have been proposed to the supporting text to clarify that the council acknowledges that it is not always possible to meet the NDSS within heritage assets (conversions) and when extending properties. The council however expects all new-build homes to meet the NDSS.

4 Part C: Housing Supply

4.1 Sources of housing land supply

4.1.1 Relationship to national policy

As per Section 2, Westminster's housing requirement is 1,379 homes per year for the first 10 years of the plan period, which would translate into an overall requirement for 20,685 new homes by 2040. This has been derived from the standard method for calculating local housing need as set out in the Housing and Economic Needs Assessment PPG.

The PPG states that "the standard method for calculating local housing need provides a minimum number of homes to be planned for. Authorities should use the standard method as the starting point when preparing the housing requirement in their plan, unless exceptional circumstances justify an alternative approach".

NPPF Paragraph 67 states that:

...planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should:

- a) specific, deliverable sites for years one to five of the plan period; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

The NPPF defines 'deliverable' and 'developable' sites:

To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

- a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.*

To be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged.

4.1.2 Relationship to London Plan

The London Plan housing target is based on the 2017 London Strategic Housing Land Availability Assessment (SHLAA). This calculated a capacity of 10,100 homes over 10 years in Westminster for the period 2019/20 to 2028/29 from the sources identified in Table 8.

Table 8: Sources of housing land supply in Westminster from the 2017 GLA SHLAA

Source	Net Housing Completions
Large Sites: Based on approvals, allocations and a variety of other sites identified through previous development capacity studies, the GLA call for sites, and sites identified through the previous 2013 SHLAA.	4,800
Small Sites (below 0.25ha): Based on modelling above the level of recent trends to reflect the potential impact of policy changes in the draft new London Plan.	5,290
Net non-self-contained pipeline (approvals): Based on net pipeline of approvals and on the basis that 3 non-self-contained units counts as a single home.	10
Total	10,100

Following the publication of the Inspection Panel's Report, the London Plan housing target has been revised downward for Westminster to 9,850 homes for the period 2019/20 to 2028/29. The Panel's Report stated that: "the modelling of small sites is insufficiently accurate to give a true picture of the likely available capacity", and this is the principle reason that the 10-year target has been revised in the London Plan, with capacity in Westminster falling from 5,290 to 5,040 on these small sites.

It is also important to note that the draft London Plan's associated policies on small sites (H2 and H2A) originally set an annualised target (529 units per year for Westminster) and envisaged development of 25 units and below on these sites. These aspects of policy have been recommended for deletion by the Inspection Panel's Report and small sites are to be defined only as being below 0.25ha, as per the SHLAA.

4.1.3 Westminster sources of housing land supply

Following the London Plan Inspection Panel's report, we have reviewed our sources of housing land supply in Westminster, taking account of the Panel's recommendations and our revised housing requirement. To identify and assess the housing capacity of deliverable and developable sites in Westminster, we have used the following sources of housing land supply:

- a) Sites currently under construction
- b) Sites with planning permission
- c) Sites where an application is expected or has been received
- d) Key Development Sites
- e) Large windfall allowance (>10 units)
- f) Small windfall allowance (<10 units)

a) Sites currently under construction

Sites delivering 4,907 units are under construction. 1,229 units are on sites of under 0.25ha, and of these, 313 are on sites providing less than 10 net units. These sites have been included in our 5-year housing land supply and further detail is contained in our draft 5-Year Housing Land Supply Statement.

b) Sites with planning permission

Sites delivering 1,259 units have extant planning permission. 477 units are on sites of under 0.25ha, and of these, 244 are on sites providing less than 10 net units. These sites have been included in our 5-year housing land supply and further detail is contained in our draft 5-Year Housing Land Supply Statement.

c) Sites where an application is expected or has been received

There are several other sites where a planning application has either been received and is pending decision or is expected following detailed pre-application discussions. There are 736 units on such sites (excluding those on Key Development Sites). Of these, 111 are on sites of under 0.25ha. No sites under 10 net units are included in this source of supply. These sites have been included in our 5-year housing land supply and further detail is contained in our draft 5-Year Housing Land Supply Statement.

d) Key Development Sites

Appendix 1 of the draft City Plan contains a list of Key Development Sites. These sites include those with development potential for over 50 net residential units over the plan period. The majority do not have a live planning permission but are expected to be redeveloped over the lifetime of the plan.

Each of the Key Development Sites has undergone a preliminary assessment to consider the developable area of the site and potential development typologies including form and massing. This has resulted in each site being given an indicative number of residential units. Whilst this is not definitive, it represents a minimum figure required from each to ensure the sites are optimised and contribute to the overall plan target being met.

e) Large Windfalls allowance (>10 units)

Our housing trajectory includes an allowance for large windfall sites after year 5 of the plan period, based on 10-year delivery trends. We have defined large windfalls as any site delivering more than 10 net housing units.

Historically, Westminster has delivered the bulk of its housing through windfalls, with only 12% of completions taking place on allocated sites over the last 10 years. Although we have identified Key Development Sites which will deliver over 4,500 units over the plan period, it is appropriate to assume that a high level of windfall development in Westminster will continue based on historic data and the nature of development in the city.

Windfall sites delivering over 10 units have averaged 624 units per year over the last 10 years. We have therefore assumed that 522 units per year will come forward on such sites from year 6 of the plan period, considering the average 102 units completed on allocated sites over the last 10 years. This gives a total of 8,352 units to be delivered from this source over the plan period.

f) Small Windfalls allowance (<10 units)

Small windfalls have historically played an important role in achieving Westminster's housing targets and this is likely to continue, especially considering the focus of the new London Plan and the draft City Plan on promoting and delivering on small sites.

Whilst the draft London Plan (prior to the Inspection Panel's Report) previously identified any site providing fewer than 25 units as a 'small site', our trend analysis has shown that the bulk of Westminster's small sites delivery is concentrated on sites delivering fewer than 10 units. On average 321 units per year have been provided on sites delivering less than 10 units over the last 10 years. This contrasts with 131 units per year on average from sites delivering 11-25 units.

Once average net losses (-87 units per year) have been considered, we have assumed that 234 units per year will come forward from year 4 of the plan period. This

is because small sites are often built out relatively quickly on receiving planning permission, so they are unlikely to be known prior to coming forward through planning applications. We have assumed that existing small sites with planning permission will be delivered in years 1-3 of the plan period and these have been included above. In total, sites delivering under 10 units (excluding those with existing permissions) will provide 4,212 units over the plan period.

4.2 5-Year Housing Land Supply

NPPF Paragraph 73 sets out that “local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old”.

The PPG states that, where a local planning authority is seeking to confirm a 5-year housing land supply through the examination of its policies, it should “apply a minimum 10% buffer to their housing requirement to account for potential fluctuations in the market over the year and ensure their 5 year land supply is sufficiently flexible and robust”. Westminster’s housing requirement equates to 6,895 units between 2019/20 and 2023/24. The application of a 10% buffer to this requirement results in 7,585 units needed over the same period.

Our draft 5-year Housing Land Supply Statement summarises the 5-year housing requirement and deliverable supply based on the NPPF definition of deliverable. The deliverable housing supply includes all sites under construction, with planning permission and selected sites where applications have been received and are pending decision or an application is expected following advanced pre-application discussions. It also includes three Key Development Sites where delivery is expected within the first 5 years of the plan period.

In total, our 5-year housing land supply is 7,743 units over the period 2019/20 – 2023/24. This compares to a housing requirement figure of 7,585 units for the same period, meaning that the council can demonstrate 5.10 years of supply against its requirement.

4.3 Housing Land Supply Beyond 5 Years

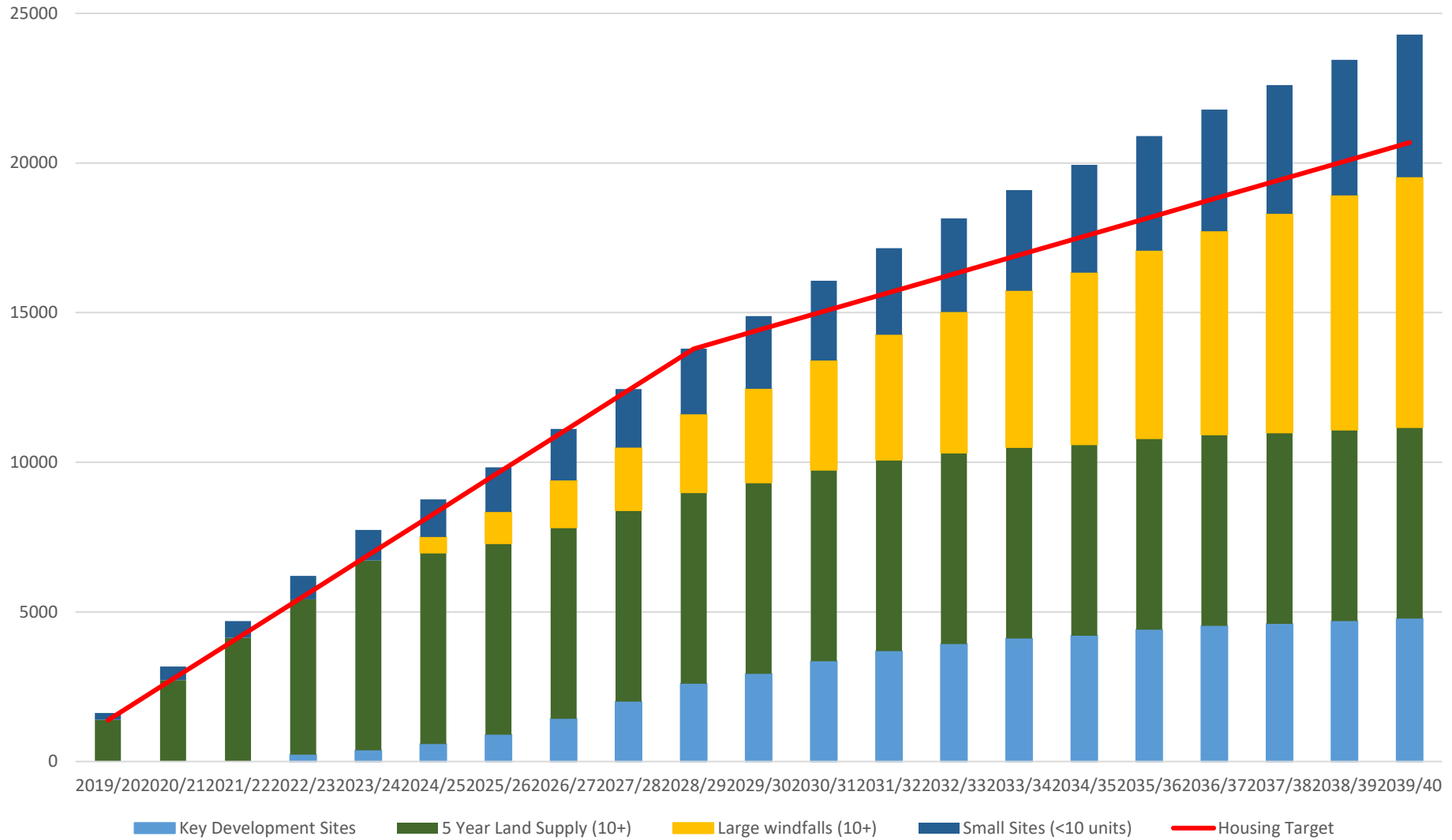
To demonstrate housing supply beyond the first five years, the council have identified Key Development Sites that meet the NPPF definition of developable. Some of these sites also meet the definition of deliverable and have therefore been included within the housing supply for the first five years. The methodology for selecting and assessing these sites is described below. Supply beyond the first five years also includes allowances for large and small windfalls based on historic delivery trends, as described above.

In total this supply equates to 16,551 new homes between 2024/25 and 2039/40 against a total requirement during this period of 13,790.

4.4 Revised Housing Trajectory

The graph below shows our revised housing trajectory against the new London Plan target of 20,685 new homes to 2040. The target is based on the 'stepping up' of delivery over the first 10 years of the plan period, in line with the housing requirement as calculated using the standard method set out in national planning policy.

Westminster Housing Trajectory 2019-40



Appendix 1 Key Development Sites Methodology

1. Background

This appendix sets out the methodology behind the selection of Westminster's key development sites and the approach used to identify their indicative capacities and principles for development. Given the strategic nature of the City Plan, this assessment was carried out at a relatively high level with more detailed work being taken forward through Westminster's emerging Site Allocations Development Plan Document (DPD).

In undertaking this analysis, we have had regard to the National Planning Policy Framework (NPPF), Planning Practice Guidance (PPG), adopted London Plan and draft New London Plan. We have also had regard to Historic England Guidance, in particular its advice note on 'The Historic Environment and Site Allocations in Local Plans'²⁶.

2. Policy Framework

2.1 National Policy Context

The assessment of land availability is an important step in the preparation of local plans. It supports proactive planning by selecting sites to include in the local plan to meet identified needs. The Key Development Sites Methodology takes account of the intent of the NPPF, in particular that planning policies and decision should support development that makes 'efficient use of land' (paragraph 122), "optimise[s] the potential of the site to accommodate development" (paragraph 127(e)) and achieve well designed places that consider local aspirations, characteristics and constraints, such as heritage.

2.2 Relationship to London Plan

The draft City Plan must be in general conformity with the spatial development strategy comprised in the adopted London Plan²⁷. It is envisaged that Westminster's City Plan will be assessed for general conformity with both the adopted and emerging New London Plan at the time of the examination, depending on the status of the New London Plan.

Emerging London Plan policies D1 'London's form and characteristics', D2 'Delivering good design' and D6 'Optimising density' promote a design-led approach to enable the most appropriate form of development, that responds to the site's context enables growth by optimising capacity while ensuring provision of the necessary supporting infrastructure. Proposed minor modifications make clear that optimising capacity does

²⁶ Historic England Advice Note 3 'The Historic Environment and Site Allocations in Local Plans'

²⁷ ss.20(5)(a) and 24(1) of the 2004 Planning and Compulsory Planning Act

not mean maximising capacity, but rather that development takes the most appropriate form for the site and that it is consistent with relevant planning objectives and policies.

This provides a framework that seeks to enable the delivery of well-designed development, at an appropriate density, that responds to local character, form and infrastructure capacity. This policy approach also assists in the identification of locations that may be suitable for tall buildings.

3 Site allocation methodology

The methodology has been developed in response to the requirements set by national policy (NPPF) and guidance, particularly the Planning Practice Guidance (PPG) on Housing and Economic Land Availability Assessment (HELAA). The guidance notes that the suitability, availability and achievability of any potential site should be part of the site allocation methodology. Although assessment against these criteria is useful for determining whether a site is 'developable' or 'deliverable' and able to be included for the purposes of calculating housing supply, it does not necessarily mean it is appropriate for allocation. This will be determined through the development of the Site Allocations Development Plan Document.

The overall site allocation methodology can be summarised in four stages as set out in the table below:

Stage 1	Preliminary site selection	<ul style="list-style-type: none"> • Review of site sources • Initial sift against strategic criteria
Stage 2	Site suitability assessment	<ul style="list-style-type: none"> • Policy designations • Accessibility • Environmental sensitivities and constraints • Heritage designations and constraints • Context height
Stage 3	Site availability assessment	<ul style="list-style-type: none"> • Existing use • Safeguarded uses • Planning status/development interest • Ownership • Potential delivery timeframe
Stage 4	Site achievability assessment	<ul style="list-style-type: none"> • Viability assessment

Stage 1 – Preliminary site selection

The focus of the draft City Plan's spatial strategy is to support growth by optimising densities and delivering high quality development, delivering a significant quantum of new homes (including affordable homes), supporting businesses and new jobs, while protecting uses of international, national and local importance, Westminster's heritage and balancing the competing functions that exist in Westminster.

This step of the methodology assessed the preliminary list of sites against their ability to significantly contribute to the City Plan's objectives. Given its predominantly fine-grain built environment and relatively limited amount of developable space compared to outer London boroughs, the appropriate threshold for site inclusion was related to the potential quantum of development rather than the size of the developable area. We have taken the approach to consider only those sites which were identified as:

- capable of delivering a minimum of 50 new dwellings;
- Housing Renewal sites; or
- necessary for the delivery of major infrastructure projects or for the regeneration of an area.

Sites that met the above criteria were considered to have the potential to make a significant positive contribution to the City Plan's objectives. This initial sifting led to a preliminary list of sites being tested against the following steps of the methodology. Sites below the 50-dwelling threshold were considered to constitute windfall development.

Potential sites were drawn from a number of sources:

- London Strategic Housing Land Availability Assessment (SHLAA) 2017.
- Westminster's 5-15-year Housing Land Supply and Brownfield Register.
- Existing site allocations – Major development and extant opportunity sites published as part of Westminster's 2007 UDP, proposal sites included in the 2011 Core Strategy, the 2013 City Plan and the current 2016 City Plan.
- Borough planning documents such as extant Planning Briefs.
- Representations received at the previous City Plan consultation stages.
- Identification by officers in the course of planning, housing and regeneration duties and the potential they might offer to place shaping.
- Results from Westminster's 2019 Tall Building Study.

Stage 2 – Site suitability assessment

A site or broad location can be considered suitable if it provides an appropriate location for development when considered against relevant constraints and their potential to be mitigated.

To determine suitability for residential development, officers looked at numerous factors. The extent to which development would accord with current and emerging local, regional and national policy was a key consideration. Officers looked at planning histories, designations, extant policy documents (such as planning briefs), place shaping aspirations, presence in an opportunity area, nearby development, public realm and highway character and condition. Public Transport Accessibility Levels (PTAL) were used to assess site accessibility. As most of Westminster has a high level of public transport accessibility, with PTAL rating of three or higher, all potential sites were considered to have a suitable level of accessibility.

For those sites where the principle of residential development was accepted, a high-level assessment of site capacity was undertaken. To determine a starting point for assessing capacity, each was compared to the adopted London Plan's sustainable residential quality (SRQ) density matrix. The basis of the approach behind the density matrix is that the appropriate density for a site should be determined by a design-led approach which responds to the characteristics of a site, its surroundings and the needs of future residents rather than by applying general density standards.

While most approved developments in London since the commencement of the London Plan in 2004 have been delivered at densities beyond those recommended in the matrix and the emerging London Plan no longer contains a table of this kind, the density matrix remains a helpful starting point to assess the indicative capacity of sites.

The approach taken in assessing the indicative capacity of Westminster's proposed key development sites therefore uses the matrix's minimum density standards as an initial consideration with a view to ensuring future development can achieve the optimum density for a site. This is also the approach taken by the draft new London Plan.

The above considerations informed broad parameters for the size of buildings based on notional massing, which were then translated into a floorspace estimate. This was a collaborative process with each site discussed with multiple officers to agree the final high-level parameters.

The notional schemes include the combined floorspace of all the buildings on a site after redevelopment. Heights by number of storeys were determined based on prevailing building heights and townscape character with reference to Westminster's 2019 Tall Building Study, extant planning policy and guidance, urban design studies or planning permissions. Building footprint and massing sketches were produced in some instances in order to test potential built coverage and building height with regard to possible land uses.

As Westminster has a high proportion of conservation areas and listed buildings (some of which are within or in close proximity to key development sites) the indicative

capacity numbers were generally conservative whilst acknowledging that a significant proportion of identified sites fall within areas designated as opportunity areas or housing renewal areas.

Once a notional capacity was established, site specific characteristics and constraints were considered as part a high-level design assessment to determine the final capacities. These included environmental constraints and impacts on the natural environment, as well as impacts on heritage and townscapes.

Consideration of Westminster's exceptional historic environment has been a critical element in deriving a key development site's designation and potential scale. This assessment was undertaken with reference to known and potential heritage assets, both designated and non-designated within each site and its vicinity, having regard to national and local designations, and using a range of sources including listing descriptions, conservation area audits, conservation management plans, protected view corridors, planning briefs and planning history documents as well as using in-house expertise.

In addition, to assess impacts on townscapes, the 2019 Westminster's Building Height study provided a tool to identify the broad areas where tall buildings may be considered acceptable. The study drew on a suite of policy documents relating to tall buildings. These included the 2019 NPPF and the 2015 Historic England Tall Building Advice Note. Whilst the latter's primary focus is the impact of tall buildings on heritage assets it also provides a series of guidelines surrounding the design and location of tall buildings. It also states that the scale and form of development should be assessed as part of the formulation of the local plans.

The Building Height study states that the majority of Westminster is unsuitable for tall buildings. Significant height outside the areas identified as suitable in principle in the study was therefore not considered appropriate when assessing key development sites.

Having regard to these factors and evidence, an initial assessment was then made of each of the sites' sensitivity to change (grading these from low to very high sensitivity). The determination of the sensitivity of these assets was based on the level of designation and significance of assets within and adjoining the site and/or professional judgement.

Most sites were identified as being of lower sensitivity. Many either did not contain heritage assets, or redevelopment could be achieved with limited impact on significance or setting of nearby assets. Where sites were of medium to high sensitivity and in all sites where heritage assets were present, estimated capacity figures were adjusted to reflect the need to retain or substantially retain these assets within the scheme.

While some sites were of high and very high sensitivity, they were retained within the list of key development sites as the analysis undertaken identified these sites as able to deliver on strategic priorities and conform to our statutory duties in relation to heritage assets and the requirements set out in the NPPF. However, for these sites we recognise that more detailed work is needed and each of these sites would be subject to a fuller heritage assessment as part of the emerging Site Allocations DPD.

Examples of how site sensitivities (low, medium and high) have influenced the assessment of capacity are provided below.

Low Sensitivity

Key Development Site 4. Edgware Road Station, Capital House & Griffith House

– The scale and form of the interrelated buildings at this location has been informed by its position next to a transport junction, an existing poor-quality public realm and its appropriateness for tall building to positively contribute to place making as evidenced by the 2019 Building Height Study.

Medium/ High Sensitivity

Key Development Site 1. St Mary's Hospital – Heritage and conservation issues have significantly impacted on the key principles and capacity for this site. The site is very large and located within an opportunity area and, although there are some heritage assets within and adjacent to the site, it contains a wide mix of buildings including some of poor quality and a comprehensive scheme to redevelop the site, retaining some buildings and demolishing others is likely to offer significant potential for enhancement as well as delivering on strategic priorities. The Building Height study has identified some locations within this area where taller buildings may be appropriate, provided they respond sensitively to their setting. In order to sense check the indicative capacity figure for this site, modelling looked at the blocks individually rather than attributing an average height across the site. The indicative capacity on the site recognises that the uses on the site are not yet determined. Due to the size and characteristics of the site, an intrinsic recommendation is that a site wide Planning Brief is commissioned to ensure a more granular, comprehensive plan for the site.

High Sensitivity

Key Development Site 25. Queen Alexandra Military Hospital – The site is in a sensitive location next to Tate Britain and a number of listed buildings. The site contributes to the character of the Millbank Conservation Area through the quality of the existing series of buildings. The adopted conservation area audit recognises that the quality and significance of the buildings on the site is varied and all may not merit retention. This was confirmed via a Westminster City Council Committee Resolution in 2004, where proposals for the widescale redevelopment and demolition of part of the site was considered and endorsed by Members. In response the indicative

capacity and scale of the redevelopment was cautious and based on retention of the series of buildings but acknowledgement under this approach that there is scope for extension and intensification including through its potential conversion to residential use.

Stage 3 – Site availability assessment

A site can be considered available for development, when, on the best information available, there is confidence that there are no legal or ownership impediments to development.

To be considered ‘deliverable’ the site should be available now, whereas to meet the criteria for ‘developable’ there needs to be a reasonable prospect of it becoming available at the point envisaged.

To test the availability of the potential sites, officers looked at site ownership, existing use, planning status, and have engaged with key landowners. Sites with extant planning permission or where development had already commenced were removed from the list.

The resulting proposed list of key development sites was consulted on as part of the draft City Plan in Autumn 2018 (informal consultation) and in Summer 2019 (Regulation 19 stage). Nearly all the key landowners within identified key development sites submitted a response in respect of the site allocations. Further engagement was carried out between the two consultations via face-to-face meetings. The results of this process show that key landowners are broadly supportive of the site allocations. The engagement with relevant landowners has helped assess the availability of the proposed sites and the timeframe when development is likely to come forward. At the same time, engagement has clarified the key opportunities and constraints for each site.

Stage 4 – Site achievability assessment

To be considered ‘achievable’ in the context of being deliverable there needs to be a realistic prospect that the site will be delivered within 5 years. To meet the criteria of ‘developable’ a site needs to be capable of being viably developed at the point envisaged.

A local plan should be subject to viability testing to appraise the impact of its draft policies on the economic viability of the development expected to be delivered during the lifetime of the plan.

The Viability and Plan-Making Planning Practice Guidance (PPG) sets out appropriate methodologies that should be adopted when undertaking viability testing for local plans. A number of provisions within this PPG have influenced the council’s approach to viability testing, including:

- Evidence should be proportionate to ensure plans are underpinned by a broad understanding of viability (paragraph 5);
- Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable (paragraph 6);
- Viability assessments should be proportionate but reflect the range of different development that are likely to come forward in an area and needed to deliver the vision of the plan (paragraph 9).

The council appointed BNP Paribas Real Estate to prepare a viability assessment and this has been published alongside the draft City Plan at Regulation 19 stage. As per the provisions of the PPG set out above, a number and range of development schemes that are considered similar to those expected to come forward in the identified sites have also been tested as part of the assessment.

4 List of Key Development Sites

The four steps of the methodology have structured the site selection process, which resulted in a list of 27 proposed Key Development Sites for the draft Westminster City Plan. Each proposed site contains some overarching guidance for development proposals including expected uses, development timescale, indicative residential capacity and key heritage designations and design principles for certain sites.

The resulting site capacities are clearly signalled in the City Plan as indicative as they have not undergone further detailed testing, but nevertheless represent the likely scale of development that could be acceptable. Any development on these sites would be subject to their accordance with the emerging City Plan and London Plan policies.

Where a complex redevelopment of a site is anticipated and there are multiple constraints and opportunities, planning briefs or a similar overarching document have been suggested as applicable in order to assist place making, ensure a cohesive design solution and protect and enhance heritage assets.

5 Next steps

More details on the key development sites will be set out in the forthcoming Site Allocations DPD. The document will set out design and place shaping principles which will guide development for the key development sites. This will ensure new development on these sites sensitively integrates within its context, strengthens links to and enhances heritage and conservation assets, creates high quality public spaces, provides active frontages, improves connectivity and supports sustainable transport.

Development capacities expected land uses and infrastructure requirements will also be further detailed as part of this work. The DPD will be developed through further engagement with relevant stakeholders to ensure delivery and implementation.

As this work continues the council will look to update its methodology and assessments as part of the examination process.

CITY PLAN

2019 – 2040



City of Westminster