



London Borough of Haringey
River Park House
225 High Road
Wood Green
N22 8HQ

3 March 2016

Dear Sir / Madam

HARINGEY BOROUGH COUNCIL: LOCAL PLAN: 2011-2026

Thank you for consulting with the Home Builders Federation (HBF) on Haringey's new Local Plan.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

We would like to submit the following representations on the Local Plan and we would welcome, in due course, participating in hearings of the Examination in Public.

Duty to cooperate

The plan is unsound in terms of the duty to cooperate: legally and with respect to the positively prepared test of the NPPF.

We have noted the local plan (the alterations to the strategic policies of Haringey's local plan). This is the pre-submission version dated January 2016.

It appears from the document that the Council has not taken into account the legal and procedural aspects of the duty to co-operate. It is not an uncommon error for the London local authorities to assume that the Mayor of London has discharged the duty to co-operate on their behalf. It is assumed that the legal duties of the Duty have been met by the Mayor who has discharged this by producing the London Plan. Unfortunately this is incorrect although the ambiguity surrounding this issue is understandable because the Mayor is deliberately vague about this issue.

Part E of Policy 2.2 of the London Plan – the London Wider Metropolitan Area – which is the section related to LDF preparation, does require the London Boroughs to work with authorities and agencies in neighbouring regions outside of Greater London to develop common approaches to issues across borders significance. It is unclear from the local plan and the supporting documentation whether Haringey has done this. It is important that the council does engage with its neighbours and the authorities outside of London with whom Haringey has a migration relationship to ensure that these authorities understand the implications of the Mayor of London's demographic assumptions. The inspector for the London Plan, in his report (dated 18 November 2014), does refer to this effect. He notes that the Mayor's SHMA *"includes assumptions relating to migration...likely to be material to the preparation of local plans outside London."* (Paragraph 8).

We note from the Council's SHMA supporting these alterations (dated May 2014 Version 2) that the Council has defined a housing market area (HMA). This is an HMA that the Council shares with a number of other local authorities in north London. We do not dispute this delineation of the housing market area but there is a need to consider how the Mayor of London's migration assumptions will impact upon the wider South East of England. Haringey, either individually or collectively through the HMA, will need to demonstrate how it has engaged with the authorities outside of London on the strategic question of migration and London's unmet need (which is at least 7,000 dwellings a year and rising owing to the inability of many of the London boroughs to meet the new housing benchmarks).

Too this end it is necessary to consider migration trends, the Mayor's assumptions relating to migration, and whether local authorities outside of London are compensating for these assumptions. This is an important planning question. These migration trends may well have an important bearing on the objective assessment of housing needs for Haringey. The Mayor of London's objective assessment of need – the study which underpins the Further Alterations to the London Plan – makes a very considerable assumption about outward and inward migration to London which means that the Mayor's own starting point in terms of his demographic assessment of housing need is very much lower than the official projections. The Mayor's starting point is 12,000 households fewer per year than the official projections available at the time (the DCLG 2011-interim Household Projections). See paragraph 3.69 and figure 29 of the Mayor's 2013 SHMA.

The Mayor of London considers that his demographic projections are more reliable than the official projections (I refer to paragraph 3.1.7 of the Mayor's supplementary planning guidance of the housing May 2015 in which he states this). Also the inspector considering the London Plan endorsed the Mayor's migration assumption.

However, for those migration assumptions to be proved correct it is necessary for Haringey to engage with the authorities outside of London who will be most directly affected by this migration assumptions to ensure that these assumptions are being reflected in their own local plans.

If those migration assumptions are not been taken into account by those local authorities outside London and they are not making sufficient compensation for the likelihood of higher inward migration and decreased inward migration then there is a risk that the housing need in Haringey maybe higher. While we recognise, as documented in the Council's 2014 SHMA, that most net migrations flows into Haringey come from other London Boroughs many people leave Haringey for the south east. We refer to the figures 4 and 5 on page 28 of the SHMA 2014.

Under the Mayor of London's demographic Central Variant the Mayor assumes that there will be a 5% increase in outward migration from London and a 3% decrease in inward migration to London compared to the DCLG 2011-interim Household Projections. As previously stated, this results in some 12,000 fewer households a year projected to form in London.

Figure 5 of the 2014 SHMA is interesting. This shows the chief migration destinations for people leaving Haringey. Among these destination authorities are Brighton & Hove, Hertsmere, St Albans and Broxbourne. The HBF has been engaged in the local plans that have been produced in these districts or are in the process of being produced. All these authorities either have large unmet needs, like Brighton & Hove (it has a very substantial unmet need which amounts to about 28,000 dwellings over its plan period) or like St Albans, they planning on the basis of an assumption that they will experience much lower inward migration from London. In short, there is a worrying lack of consistency in the demographic assumptions being made by London and the south east authorities.

The net result is that actually less capacity is being created in the wider South East to accommodate the Mayor of London's own migration assumptions than the Mayor had perhaps previously hoped. This could mean that there will be a higher demand within Haringey itself over the next 15 years because an increase in supply is not being built into the system elsewhere to compensate for the Mayor's demographic assumptions. An adequate supply of housing is not been planned for in the wider south east (by which we mean the former East of England and South East government regions) to enable out migration to occur at levels expected by the Mayor of London.

We consider this is an important strategic issue that Haringey needs to take seriously. It needs to demonstrate through its plan how it has alerted the

authorities outside of London to this issue. If it has not demonstrated that it has done this then it is questionable whether it is legitimate for the Council to assume that the 2013 SHMA that underpins the London Plan is based upon a sound analysis of the demographics. We consider that the levels of housing need in Haringey are likely to be much closer to the recent official DCLG 2012 Household Projections than the Mayor of London's own underlying demographic assumptions.

To this extent we are not convinced that the Mayor of London's own projections are proving to be more accurate than the official projections. That may have been the case in the past but we think the scale of the under supply in the South East when measured against the official projections and local SHMA-based OAN assessments is now militating against that historic trend. We actually think that the base-line starting point really needs to be the official DCLG 2012 projections.

Objectively Assessed Need

The OAN figure for Haringey is unsound because it is unjustified.

It is encouraging to see that Haringey is updating its plan to reflect the new housing bench mark figures in the new London Plan (what had been the Further Alterations to the London Plan). This means that Haringey has updated its plan to reflect the new housing benchmark targets in table 3.1 of the London Plan and will be providing between 2015 and 2025 an annual average of 1,502 homes per year. The Council of course will be aware of Part G of Policy 3.3 of the London Plan which requires local authorities to undertake their own NPPF compliance assessments of housing need.

In accordance with the NPPF, these Borough level assessments also need to be conducted on housing market area basis. This is necessary to ensure that the requirements of the NPPF and the guidance in the NPPG are being addressed by the local authority. Haringey Council will be aware that the Mayor of London's own objective assessment of housing need in London through the 2013 SHMA that supported the London Plan was essentially only the demographic projection (albeit it did take into account that the housing backlog which is very positive). Because it was essentially just a demographic assessment it did address all those elements required of a SHMA as set out in the NPPF and NPPG. This is why the London Plan includes a reminder that the Boroughs must undertake NPPF and NPPG compliant assessments of the OAN.

To this extent it is right that the council has produced an updated SHMA dated May 2014. However, the starting point of this report is an assumption that the Mayor's demographic migration assumptions under his Central Variant serves as a sound starting point.

We have questioned under the duty to co-operate section why this may be an unsound assumption. This is because there is no evidence at all that any authority outside of London is compensating for the Mayor's assumptions.

Therefore this is an unreliable demographic scenario. However, notwithstanding that point, we also note that the SHMA is essentially just a demographic assessment in terms of the objective assessment of need, albeit it does consider what the affordable housing needs might be. Unfortunately the report does not address itself to the other elements of the NPPG such as considering factors such as employment needs, the impact of past under-delivery on the ability of households to form, market signals, and whether an adjustment in overall supplies is necessary to facilitate this apart more of affordable homes.

These are factors that are normally considered at local planning examinations. It is curious that the Council has chosen to neglect these issues. Therefore we are not convinced that the figure that the council has alighted upon as being representative of its OAN (which is 20,172 homes - see footnote 4 on page 42 of the Draft Local Plan) does represent the objectively assessed need in the Borough. This is merely a baseline demographic projection. It does not address issues of affordability. The problem of affordability in Haringey would suggest that an upward adjustment on this baseline is necessary to try and alleviate some of the effects of the affordability crisis in London and to provide a 'significant boost' to supply as required by the NPPF.

An indication of the housing stress in Haringey is expressed by the fact that the total net of affordable housing need over the period 2011-2026 has been calculated to be 11,757 homes (see page 149 of the SHMA). The affordable housing need therefore is 59% of the overall planned supply. The Council's objective assessment of housing need is only as low as 20,172 dwellings subject to the Mayor of London's migration assumptions proving to be correct. If these assumptions are wrong, then the default position might actually have to be the DCLG 2012 Household Projections. These indicate between 2011 and 2026 that household formation within Haringey might be as high as 32,000 households.

It is clear from this there is significant difference between the official projections and the Mayor of London's projections. Everything depends upon whose assumptions about migration ultimately prove to be correct. It is interesting the council makes this observation itself on page 7 of the SHMA 2014. As it says "*population of household projections are only as good as the assumptions made*". We have already stated we are very concerned that the districts outside of London are not making compensatory upward adjustments to their own projections to account for increased migration from London. Unfortunately, we will only know who was right about migration long after the event, by which time the damage will have been done. However, it should be noted that no district outside of London is planning for increased migration (I know because I've looked at every plan). Indeed some like St Albans are assuming much lower inward migration over the whole of its new plan period until 2036.

The problem of planners getting their predictions wrong will eventually manifest itself in other ways such as evidence of high affordable housing need

and high instances of over-crowding. One could argue that this is what has already happened in London.

We think the evidence of a very high affordable housing need indicates the housing stress within the market in London and also in Haringey. For this reason we are not convinced that running a trend based projection – namely just the figure that is contained in the Mayor of London’s SHMA – does necessarily reflect the requirements of the NPPF and the NPPG in terms of the objective assessment of need. The OAN for Haringey therefore is unsound because it is unjustified. We recognise that capacity for 22,000 homes has been identified see paragraph 3.2.6 of the local plan. This demonstrates an increase in supply above the council’s own objective assessment of need figure of 20,172 net new homes. But this figure is still considerably below the indications provided by the latest official DCLG household projections which indicates that some 32,000 households may form over the same planned period.

We consider it necessary that Haringey works with its other part authorities in the housing market area to undertake an updated assessment of its housing needs for the HMA through an up-to-date SHMA report that uses the DCLG 2012 household projections as the baseline position (or whichever latest official projections are released since the 2014 Household Projections are expected later on this year). The Council should update its assessment accordingly.

Lifetime Homes and Housing for People with specify needs (Page 43)

In paragraph 3.2.13 the council refers to the Lifetimes Homes Standard. The Lifetime Homes Standard is now defunct as a standard. It is no longer one the Government recognises following its housing standard review.

The council should update this policy and section of the local plan to reflect the new London Plan which includes the minor alterations of the London Plan in the minor alterations to the London Plan the Mayor has stimulated that 90% of new homes provided should be built to the Part M 4 (2) adaptable and accessible homes standard and 10% should be built to Part M 4 (3) which is the wheelchair accessible homes standard. Lastly, the 10% for Part M4 (3) should only be applied to the affordable housing element.

The Council should amend its plan accordingly to reflect the new minor alterations to the London Plan.

The Council should also be aware of the minor alterations to the London Plan and its recognition that the ability to build homes for the wheelchair home standard i.e. part M for 3 does represent a challenging term of liability therefore the Council should apply the policy flexibly and keep it under review in case it has an advert effect on mobility.

Paragraph 3.2.14 is unjustified and the Council cannot seek a more aspirational target of 20% wheelchair acceptable homes. If it wanted to have

a target of 20% wheelchair acceptable home it would need to undertake the necessary evidence gathering and liability assessment to demonstrate that is viable and is required.

Affordable Housing

The policy is unsound because it is ineffective and contrary to national policy.

We note paragraph 3.2.19 of the draft local plan. This specifies a strategic tenure split of 60% affordable rent including social rent and 40% intermediate. Firstly, a tenure split of 60% affordable rent including social rent is ambiguous. The council will need to reflect the outcomes of its local plan viability study and what has been assumed in the modelling for affordable rent and social rent since these are not the same thing. Social rented dwellings will tend to be more expensive to provide because it is a tenure that requires a higher level of subsidy because the rental income is weaker.

Secondly, it is also unclear what the applicant is expected to provide in terms of the rented element of the tenure. The local plan should not be ambiguous about this. It should provide clarity to enable applicants to be able to advance applications with a clear knowledge of what is expected by the local plan. Equally, the decision-taker should know from the local plan how s/he is to determine application. This part of the local plan is ambiguous and contrary to national policy on the need for clarity in local plans. . The local plan will need to be amended to clarify how many homes are to be provided as affordable rent and how many as social rent.

The Council should also take into account the forthcoming requirement of the housing and planning bill. This will include starter homes within the definition of affordable housing the Council should amend the plan to make it clear that starter homes can be provided as a form of affordable housing.

Self-build

The local plan is silent on self-build and custom-build. The Council may wish to consider how it might want to respond to the Government's desire to increase opportunities in this area.

Students

The plan is unsound with regard to planning for student needs because the plan neglects this aspect of the London housing problem. The plan is unsound in respect of national and London planning policy. The council is wrong in counting student accommodation towards the OAN.

The Haringey SHMA 2014 report does not provide an analysis of student housing needs. Policy 3.8 part h of the London Plan requires the London boroughs to plan to meet strategic and local requirements for student housing. This is necessary to avoid detracting from the supply of conventional homes. The London Plan supporting 2013 SHMA includes an assessment of

London's likely overall strategic need for student accommodation (see table 29 and paragraph 8.31). This concludes that there is a need to plan to provide for between 2,500 and 3,100 bed spaces per year. This need is additional to the housing benchmark targets in table 3.3 of the London Plan.

The Council will need to set out its strategy to help meet this London-wide strategic need.

We note that paragraph 3.2.5 of the local plan states that the OAN will be met partly through the provision of non-self contained homes including student accommodation. However, institutional needs (and thus the need to provide for C3 use class units) have traditionally not formed part of the ONS population projections and DCLG household projections. We refer the council to paragraphs 8.23 and 8.24 of the London 2013 SHMA which refers to this point. Consequently there is a risk that in having failed to account for students on the need side, it will be losing capacity on the supply side to students. This was acknowledged to be an issue at the recent Norwich City local plan examination, where the council acknowledged the importance of accounting for and planning separately for student needs lest student housing completions detracted from the supply of homes for the (longer term) resident population.

Planning for student needs is essential as they will compete for housing with the general non student population. It is important to avoid double-counting. If the student population increases in Haringey they will compete with locals for access to the scarce housing stock.

We are also concerned that bed-spaces in new hostels and residential care homes will be counted towards the OAN. Planning for C3 uses is important but it should not be at the expense of conventional supply.

Older persons housing

The local plan is unsound with regard to planning for the housing needs of older people. The plan conflicts with national and London Plan policy.

We refer to table A5.1 of the London Plan and the benchmark targets for specialist housing for older people. The local plan is ambiguous about how Haringey Council will plan to meet these needs. These needs are additional to conventional housing supply benchmark figures in table 3.1 of the London Plan.

Building for Life

Paragraph 3.2.9 refers to Building for Life. This design guide has been replaced by Building for Life 12. The local plan should be amended to reflect this. BfL12 cannot be applied proscriptively by the Council. It is a voluntary scheme.

Yours faithfully,

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