

Committee(s)	Dated:
Planning & Transportation Committee	08/09/2020
Subject: City of London Housing Delivery Test Action Plan	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Decision
Report author: Peter Shadbolt, Assistant Director (Planning Policy)	

Summary

The Government's Housing Delivery Test 2019 was published in February 2020. The results suggest that in the 3 years 2016/17 to 2018/19, only 88 dwellings were delivered in the City, below the Government's target of 275 dwellings and representing a delivery rate of 32%. This rate of delivery would require the City Corporation to publish an action plan setting out how the City Corporation will improve housing delivery performance, and apply a 20% buffer to the 5-year land requirement for the City of London, and apply a presumption in favour of sustainable development to new residential development proposals. These provisions would remain in place until the publication of the 2020 Housing Delivery Test due in November 2020.

The City Corporation has prepared a Housing Delivery Test Action Plan, attached at Appendix 1 to this report. This report identifies that Government statistics in the Housing Delivery Test 2019 did not reflect actual housing completions within the City of London. If all new housing completions recorded by the City Corporation are included, the City of London's performance would increase from 32% of estimated housing need to 92%. In addition, the projected delivery of new housing over a 5-year period from 2019/20 onwards will exceed the annual average requirement in the Development Plan for the City by 462 dwellings. Consequently, no further actions are required at this stage to ensure that the City of London can meet Development Plan housing requirements or projected Government Housing Delivery Test requirements.

Recommendation(s)

Members are recommended to:

- Approve publication of the City of London Housing Delivery Test Action Plan, attached at Appendix 1.

Main Report

Background

1. In order to boost housing delivery, in 2018 the Government introduced a national Housing Delivery Test applicable to all local planning authorities, which

compares the Government's assessment of the local housing requirement with Government data on local housing delivery. The Test is published annually and considers housing delivery performance over the previous 3 years, giving each authority a % score of housing delivery against the housing requirement.

2. The first set of Government Housing Delivery Test figures (the 2018 Test) was published on 19th Feb 2019 indicating that housing delivery in the City was below the required level and requiring the preparation of an Action Plan setting out how the City Corporation will improve new housing delivery to meet targets and apply a 20% buffer to its 5 year housing land requirement to provide greater flexibility to developers in bringing housing sites forward. This Action Plan was considered by the Planning & Transportation Committee on 9th July 2019 and concluded that there was sufficient new housing in the development pipeline to meet future housing needs for over 6 years.
3. The 2019 Housing Delivery Test was published on 13th February 2020 and suggested that the City of London had failed to meet the Government's assessed level of housing need for the 2016/17 to 2018/19 period. The Test results suggested that a total of 88 new dwellings were completed in this period, compared with a target of 275 dwellings, representing a delivery rate of 32%. This level of delivery requires the City Corporation to:
 - Publish an action plan setting out how the City Corporation will improve housing delivery performance; and
 - apply a 20% buffer to the 5-year housing land requirement for the City of London; and
 - apply a presumption in favour of sustainable development.

These provisions will remain in place until the publication of the 2020 Housing Delivery Test, currently scheduled for November 2020.

The City of London Housing Delivery Test Action Plan

4. The City Corporation does not accept that the results of the 2019 Housing Delivery Test correctly reflect housing delivery in the City of London over the period from 2016/17 to 2018/19 and has requested that the Ministry of Housing Communities and Local Government (MHCLG) adjust its statistics to properly reflect actual housing delivery in the City of London.
5. Housing Delivery Test data is taken from MHCLG Net Additional Dwelling Statistics which, in turn, are derived from data supplied to MHCLG from the Mayor's London Development Database (LDD). Housing completion data for the City of London in the LDD are supplied on a regular basis by the City Corporation. When City Corporation data was compared with MHCLG data, it became apparent that the completion of 165 flats at Sugar Quay in 2018/19 had not been reflected in either the LDD or the MHCLG Net Additional Dwellings Statistics. This was due to a miscoding by the City Corporation of the completion date of the Sugar Quay scheme at the time of submission to the LDD. This error did not become apparent until the publication of the Housing Delivery Test 2019 data.

6. City Corporation officers have been in discussion with MHCLG to seek an amendment to the housing completion statistics to properly reflect actual housing delivery in the City. MHCLG has indicated, however, that the revisions policy in place for the Net Additional Dwellings Statistics does not permit revisions after the final date for submission of the data and therefore that the 2019 Housing Delivery Test result cannot be amended.
7. The City Corporation maintains that, since the intention of the Housing Delivery Test is to measure the extent to which housing targets are being met, it is appropriate to amend the City of London figures for 2018/19 to reflect the completion of Sugar Quay. Including Sugar Quay would increase actual housing delivery in the City over the Test period from 88 dwellings to 253 dwellings, representing 92% of housing need. This would still require the production of an action plan, but not invoke the requirement for a 20% buffer on the 5-year housing land supply, or the presumption in favour of sustainable development.
8. The City of London Housing Delivery Test Action Plan is attached at Appendix 1. The Action Plan identifies that the projected delivery of new housing over a 5-year period from 2019/20 onwards will be 1,187 additional dwellings, exceeding the annual average requirement in the adopted and draft London Plan (and the City of London Local Plan and draft City Plan 2036) by 462 dwellings. This equates to 8.1 years supply and exceeds the requirement in the National Planning Policy Framework to maintain a 5-year supply of deliverable housing sites.
9. No further actions are therefore required at this stage to ensure that the City of London can meet adopted and draft Development Plan housing requirements.

Corporate & Strategic Implications

10. Providing additional housing within the City is consistent with the Corporate Plan aim of contributing to a flourishing society, complementing the other aims of shaping outstanding environments and supporting a thriving economy. It addresses Corporate Plan Outcome 4: 'Communities are cohesive and have the facilities they need' and includes the commitment in outcome 4c to 'help provide homes that London and Londoners need'.
11. There are no security, financial or equalities and resourcing implications arising from this report.

Conclusion

12. The results of the Government's 2019 Housing Delivery Test for the City of London suggest that the rate of new housing delivery over the 3 year period 2016/17 to 2018/19 was only 32% of assessed need, requiring the City Corporation to prepare an action plan setting out how it will increase housing supply going forward, apply a 20% buffer to its 5 year housing land requirement and apply a presumption in favour of sustainable development.
13. The Government's housing delivery data, as reported in the 2019 Housing Delivery Test, does not properly reflect actual housing delivery in the City,

specifically not including 165 new flats completed at Sugar Quay in 2018/19. The Government has rejected a request from the City Corporation to revise housing completion data for the City of London to reflect actual numbers of new dwellings completed.

14. Appendix 1 sets out the City Corporation's Housing Delivery Test Action Plan, which identifies that actual housing delivery in the City over the 3 year period of the Test (including Sugar Quay) represented 92% of the assessed level of need. The Action Plan also identifies that there is sufficient new housing in the development pipeline to meet development plan requirements for 8.1 years.

Appendix 1: City of London Housing Delivery Test Action Plan

Peter Shadbolt

Assistant Director (Planning Policy), Department of the Built Environment

T: 020 73321038

E: peter.shadbolt@cityoflondon.gov.uk