

## City of London – City Plan

### Matter 3 - Housing

- 1. In setting a minimum requirement of 1,706 net additional dwellings for the plan period 2025/26 to 2039/40, does CP Policy S3 make adequate provision to meet the City's housing needs and does the plan clearly set out a delivery trajectory that is achievable?**

No, the Plan's housing requirement is unsound because it fails to make adequate provision for housing to meet the needs of Greater London up to the end of the Local Plan in 2039/40.

The London Plan explains that London is a single housing market area. The Mayor assesses the need for housing in London in aggregate and apportions this among the constituent local authorities. Policy H1 of the London Plan sets out the apportioned requirements for the 35 local planning authorities in London for the ten-year plan period 2019/20 to 2028/29.

The City of London's share is for 1,460 homes to be provided by 2028/29. This equates to an annual average of 146 homes.

The housing requirement in total for the period 2025/26 to 2039/40 (15 years) of 1,706 would equate to just 113 dwelling per year on average.

However, the situation is even worse than that. If the London Plan requirement is delivered in full by 2028/29 – which is what is required to be in conformity with the London Plan, and indeed the local plan says it will be delivered by 2029/30, although that is one year late – then the City of London would be providing just 246 homes over the decade running between 2029/30 to 2039/40, i.e. 25 a year (24.6 to be precise). This is far too few to make a fair contribution to London's housing needs.

Although the approach may accord with supporting paragraph 4.1.11 of the London Plan, and its argument about basing a future requirement on evidence of available capacity, this is not policy and the Corporation's case would fail to reflect the direction in national policy to increase the level of housebuilding nationally, or as paragraph 61 of the new NPPF puts it: *'significantly boosting the supply of homes'*.

The GLA has recently argued that, in situations when setting a housing requirement for a period that post-dates the end of the London Plan, i.e. after 2028/29, London boroughs should 'roll over' the annual average figure and apply this to every year of the local plan after 2028/29. It considers this is necessary to reflect the 'direction of travel' provided by national policy. The GLA has recently made this case at the Enfield Local Plan examination. In a Statement of Common Ground with Enfield Council (see attached document – Enfield Local Plan (Regulation 24) 2024 – Examination in Public, Statement of Common Ground, 1 November 2024) the GLA and Enfield state at paragraph 3.4, in reference to the new NPPF and the introduction of the mandatory Standard Method:

*As such, Enfield's housing target is more likely to increase than decrease and for this reason the GLA are now advising boroughs to roll over their current housing target rather than apply the approach set out in paragraph 4.1.11 of the London Plan.*

Reflecting this advice, the housing requirement for the City of London Local Plan should be for an average of 146dpa for each year of the plan, or 2,190 dwellings in total over the 15 years of the plan.

In view of the major shortfall in housing delivery in London increasing the housing requirement is necessary. London is facing a shortfall of 14,000 homes a year based on London’s assessed need for 66,000 but capacity for only 52,200. It also has a major deficit in the delivery of homes against this capacity constrained figure of 52,200dpa. In January 2024 the Government published its review of the London Plan (*London Plan Review: Report of Expert Advisers*: MHCLG, January 2024). This found that on average London had provided an average of 37,200 net additional homes a year since the first year of the London Plan – 2019/20 – against a London Plan target for 52,200dpa. The consequence of this is now a need for London to provide an average of 62,300 homes a year until the end of the London Plan in 2028/29 if the overall target is to be achieved. This is likely to represent a significant struggle as the number of dwellings being approved fell from 89,000 in 2018/19 to 40,200 in 2022.23 (see *London Plan Review: Report of Expert Advisers*, MHCLG, 15 January 2024).

**Is the plan consistent with the Government objective of significantly boosting the supply of homes, as expressed in the NPPF? Do the Corporation’s latest HDT results have implications for the housing delivery and trajectory expectations in the submitted plan?**

A plan that would provide only 25 homes a year from 2029/30 would be far too few. Although we recognise that London is a single housing market area, and the housing requirement for each of the boroughs (and the two development corporations) is set by the London Plan, this level of provision would be too few to satisfy national policy. As we have argued above, the Mayor acknowledges this, and is now advising that the annual average figure in the London Plan is ‘rolled over’ and applied to each year of a local plan that operates post 2028/29.

It is also unclear how many homes the Corporation believes it has delivered against the London Plan for the period 2019/20 to 2024/24, i.e. the period predating the commencement of the Corporation’s Local Plan. In our representations we quoted figures that differed quite widely, between the GLA’s Residential Completions Dashboard, and the Government’s Housing Delivery Test.

The GLA’s Residential Completions Dashboard records this for the City of London:

Year	Completions	Target	% of target
2023/24	12	146	8%
2022/23	9	146	6%
2021/22	432	146	296%
2020/21	67	141	48%
2019/20	97	141	69%

This would suggest a residual requirement for 789 homes by 2028/29, or an average of 158 dwellings per year to meet the London Plan requirement.

The Housing Delivery Test: 2023 measurement shows this:

2020/21	2021/22	2022/23			
208	432	9	649	206%	None

**In the absence of site-specific housing land allocations within the CP does the submitted evidence including past delivery support the Corporation’s approach to housing delivery?**

We note paragraph 4.1.12 of the draft Local Plan. The Corporation depends wholly on 'windfall' to achieve its housing target. The Corporation observes:

*City Corporation monitoring shows that in the period 2011/12 to 2022/23, completions and permissions on windfall sites will have delivered an annual average of 175 dwellings per year. It is anticipated that windfalls will continue to deliver sufficient housing to meet the housing requirement in the City Plan.*

Allocations made in local plans are critical to ensuring that the housing requirement has some chance of being met. The fall in completions in the City of London in 2022/23 could provide an early indication that something is amiss in terms of the effectiveness of the current local plan as a vehicle underpinning delivery, or it may merely be a temporary phenomenon, reflecting the 'lumpy' nature of planning approvals and build-out. As a rule, however, for the plan-led system to operate as intended and as effectively as possible, notwithstanding how 'other material considerations' might militate against this, one would expect the local plan to make at least some allocations for residential development. This would mean that those allocations would enjoy an acceptance in principle for their use for residential development, avoiding the need for the applicant to make a case, in a way that could be time consuming, costly and exhausting.

The absence of any allocations is a matter of concern, but possibly less so with the City of London Plan, since it involves just one square mile of heavily developed land and the lowest housing target in London.

**Does the Plan adequately address the needs for all types of housing and the needs of different groups in the community?**

Policy HS7: Older persons housing does not conform to the London Plan (Policy H13). The Corporation plans for too few dwellings for older people – 86 instead of 100 based on the indicative benchmarks provided in the London Plan at table 4.3. The Corporation should incorporate the London Plan target into its local plan. We refer to our representations.

**Home Builders Federation  
28 February 2025**