

A photograph of the London skyline along the River Thames. The Shard is the tallest building, with City Hall's distinctive glass dome in the foreground. The buildings are reflected in the water, and a small boat is visible on the river.

The New Draft London Plan A Well-Designed Zero Carbon Future for London

MAY 2019



Introduction

The Draft London Plan is the document prepared by the Mayor of London in conjunction with the GLA, TFL, the 32 boroughs and other interested parties. It seeks to set out a timetable for the implementation of growth strategies for London in respect of matters from housing to transport.

The major difference in the overriding theme between the new London Plan and the previous London Plans is the emphasis on environment, health and wellbeing and community. The Mayor has promised to deliver a zero carbon London by 2030 and due to the fact buildings account for 4/5 of carbon production in London, the housing delivery guidelines are shot through with strategies to creating carbon neutral homes. This, clearly, has an impact on developers, planners, and associated professionals.

This report sets out the overarching points that will arise for developers, funders and property professionals if the plan is implemented in its current form.

KEY CONTACT



Simon Kenneally
Senior Associate

t: 020 3892 6802

e: skenneally@nockolds.co.uk



Solving the 'Housing Crisis'

1. The 32 boroughs are going to come under concerted pressure to deliver homes and, in particular, affordable housing. The target for housebuilding in the capital is 66,000 per year in order to account for the calculated growth of population in London of 70,000 people a year and to make up for the historical lag in houses being built. Of key concern for the Mayor is affordable housing (targeted at 50%), sustainable communities, utilising small plot development (including airspace development) and ensuring that developments for which planning has been granted actually get built (as there's a yearly gap of 20,000 homes for which planning is granted that never get built).
2. For the first time, the Mayor will place emphasis on higher density in particular to the outer London boroughs that have traditionally enjoyed small targets for housebuilding and have applied considerable limitations on the density they will accept. So it's likely we'll see places like Bromley, Beckenham, etc. that have traditionally only given planning permissions for low-rise, low density housing having to agree planning for high-rise, high density flats. The reasoning is twofold:
 - a. These boroughs simply have more space; and
 - b. It's unreasonable to expect inner London boroughs such as Lewisham, Southwark, Hackney etc. to bear the burden of solving the London housing problem.
3. There will be an emphasis on making use of small sites (being not more than a quarter of a hectare). The 32 boroughs will be required to identify sites capable of development as part of their plans for meeting their housing target and should 'recognise in their Development Plans and planning decisions that local character evolves over time' - i.e. well-to-do areas will no longer be exempt from high density affordable housing. There is a massive emphasis on small sites in the New London Plan and it's seen as being a key way to deliver the housing requirement, no matter where in London that might be.



Design and the Zero Carbon City

The New Emphasis on Design

4. A key plank of the new London Plan will be good design. This goes to all elements of the plan and strong emphasis is being placed on design that is good for communities, good for residents, high quality and long-lasting. This is of particular concern for the Mayor as many developments in the past 10 years have been very low quality, particularly ones that have been completed under the permitted development rights for office to residential conversion. Industry specialists believe that many of these developments 'could just be pulled down as their lifespan is already nearing the end'. The idea of design goes all the way to transport, schools, social infrastructure (the Mayor is a big fan of pubs and parks) and to future proof residential development. The Mayor is already calling in and refusing badly designed schemes.

Design and Zero Carbon

5. The emphasis on design is going to be key in two areas, which will have a substantial impact on developers, planners and associated professionals: 1. Is carbon footprint; and 2. Is safety and comfort of residents.
 - a. Creating carbon neutral homes is going to be a key element and something that developers are going to have to get to grips with quickly if they're going to build in London. The amendment to the Planning Regulations in 2020 will include an obligation on Local Authorities to refuse schemes that don't meet certain green criteria and those criteria are going to be stringent. Not only are developers going to be required to meet the green criteria, but they're going to be required to monitor and report the environmental impact of their developments going forward - perhaps for as long as five years. This has been proposed due to the fact that it's been discovered that Energy Performance Certificates more often than not do not show how energy efficient a building actually is (as it doesn't account for quality of materials, bad design, energy sources, and the incumbent deterioration over time etc.) The London Energy Transformation Initiative which is a focus group that informs the Mayor's decisions on the London plan sets out the overall aims in the following catchy framework:
 - > Be Green
 - > Be Lean

- › Be Clean
- › Be Seen

It is the 'be seen' which is likely to cause the biggest overhauls to the planning system going forward as it is in this heading that the monitoring obligation will fall. Further, by 2025 it's proposed that there will be no more connections to the gas grid in London - the focus is on heat pumps and community heating schemes. In a major move it's likely that there will be a refusal of developments that contain flats where all the windows have a single aspect, not only as they're almost unliveable for residents in the summer but also due to the fact the use of air conditioning systems to mitigate the heat significantly pushes up energy usage.

- b.** Following the Grenfell disaster, the new London Plan has been changed to place far greater emphasis on safety and wellbeing of residents. Due to the failures of Grenfell - not only the cladding, but the lack of access for fire engines, the lack of available water when they got there and the failure of the fire protection measures to prevent the fire from spreading - the design of high-rise developments will have far more stringent design requirements in respect of safety than have been previously required. How this is to be implemented is still being discussed, but it could see a position where high-rise developments (which is likely to be anything over 11 floors, as that's the height of a fire engine ladder) will have to be fully designed when planning permission is submitted. This is a unique opportunity for the modular development sector in the capital given that the units are fully designed at planning stage.
- c.** In respect of wellbeing, there will be a greater emphasis on community and developers creating community spaces with the incumbent services required by residents and also a greater housing use mix that will include more specialists housing in the general housing stock. So we could be seeing an emphasis on affordable housing, normal housing, elderly housing, green space, shops, schools and healthcare facilities all in one development.



Conclusions and the Future

When the New London Plan was discussed in open meetings with developers and other stakeholders at City Hall, the concerns of attendees weren't that the London Plan was going to be onerous, but that it wasn't going far enough to deliver Londoners' vision of the future - zero carbon, healthy, happy, well-served communities. What we're likely to see if the plan does get implemented in its current form is a move away from 'stack 'em high, build 'em cheap developments' (although the PD rights for conversion from office have been extended beyond May 2019 now) to well designed, green, comfortable living based on small-site development with mixtures of use and specialist accommodation.

There will be a change in the type of developer in London going forward to small, agile, developers utilising the latest methods and materials to deliver the buildings at the cost and size that the New London Plan requires. We should see an expansion of opportunity in the market for developers and funders to stake a claim in the new vision for the capital and build the future of London - a well designed, clean, efficient capital city.

Nockolds' Position

Nockolds Solicitors is leading the conversation in the legal industry in respect of new ways of dealing with property development, seeking to be disruptive in the industry and support the new methods of construction and the changing nature of the development industry in the capital. We are offsite construction evangelists and airspace specialists seeking to support our developer clients through knowledge of their sector, project management approach and funding support. We welcome the changes in the New Draft London Plan as our innovative project management model is aimed at agile, entrepreneurial developers with a strong emphasis on design, speed and good developments.