



London Borough of Newham

Housing Delivery Test Action Plan Update

August 2020

1. Introduction

- 1.1 In August 2019, the London Borough of Newham (LBN) published a [response to our 2018 Housing Delivery Test measurement alongside an associated Action Plan](#), reaffirming the Borough's commitment to facilitate the delivery of high quality housing to meet the needs of our residents.
- 1.2 In the year since publication of Newham's first Action Plan document much has changed. Alongside its many severe social and economic impacts, the COVID-19 crisis has undoubtedly had significant repercussions for the development industry, with many building sites – including the Council's own projects - having to down tools for a number of months to protect the safety of their staff. The long-term impacts of COVID-19 are yet to be fully realised, but they are likely to be severe and long-felt, adding further uncertainty to the future health of the UK economy as terms for exit from the European Union (EU) are finalised.
- 1.3 With so many known unknowns for the economy, it is difficult to gauge how the housebuilding sector will perform in the coming year(s). However, notwithstanding this economic uncertainty, it also remains clear that delivery of quality and affordable homes continues to be of fundamental importance for our resident's quality of life. Recognising this, this Action Plan update reviews those previously identified commitments within last year's Housing Delivery Action Plan, outlining additional measures the Council is taking to help ensure that Borough continues to facilitate delivery of quality homes in the wake of the pandemic.

What is the Housing Delivery Test?

- 1.4 The Housing Delivery Test (HDT) was launched by the Ministry of Housing, Communities & Local Government (MHCLG) in July 2018 as part of published revisions to the National Planning Policy Framework (NPPF). It is an annual measure of housing delivery for Local Planning Authorities (LPAs), being one of a number of reforms introduced by the Government designed to boost house building across the country.
- 1.5 The HDT measurement is a percentage calculated from the net homes delivered against the number of homes required for a plan-making authority over a rolling three year period.
- 1.6 Results of the Housing Delivery Test are published annually by the MHCLG, with the results of the 2019 measurement published in February of this year. The detailed results of the 2019 measurement for Newham is provided overleaf.

Newham's Housing Delivery Test Result

1.7 The results of the 2019 HDT measurement for Newham, published by MHCLG on the 13 February 2020 is detailed below.

London Borough of Newham 2019 HDT Measurement¹

Number of homes required			Total	Number of homes delivered			Total	Measurement
2016-17	2017-18	2018-19		2016-17	2017-18	2018-19		
1,994	1,994	2,752	6,740	1,682	850	2,678	5,210	77%

NB 2016/17 and 2017/18 housing requirement figures are the 2016 London Plan housing targets; 2018/19 housing requirement figure is the 2018 Newham Local Plan housing target

1.8 While the London Legacy Development Corporation (LLDC) is a separate plan-making authority, the majority of the area within the LLDC boundary comprises LBN land. As such, the HDT result for the LLDC is also provided below.

London Legacy Development Corporation 2019 HDT Measurement

Number of homes required			Total	Number of homes delivered			Total	Measurement
2016-17	2017-18	2018-19		2016-17	2017-18	2018-19		
1,472	1,472	1,472	4,415	752	990	1,290	3,032	69%

NB All housing requirement figures are 2016 London Plan housing targets

1.9 MHCLG have disaggregated the LLDC area from LBN in both its published HDT measurements, with each planning authority individually assessed for the purposes of measurement.

Consequences of failing the Housing Delivery Test

1.10 In introducing the HDT measurement, the NPPF through paragraphs 11, 73, 75 and 215 outlines associated required 'actions' that Local Authorities must take if housing numbers are not delivered in accordance with the identified housing requirement for their area. These measures are intended to boost provision in future years, and are of varying consequence dependent on the scale of under-delivery. The consequences of HDT results apply until the publication of any subsequent result. For clarity, a summary of the HDT consequences is outlined below.

If housing delivery falls below 95%	If housing delivery falls below 85%	If housing delivery falls below 75%*
<ul style="list-style-type: none"> • The publication of an action plan 	<ul style="list-style-type: none"> • a 20% buffer on an LPA's 5-year land supply 	<ul style="list-style-type: none"> • the NPPF's presumption in favour of sustainable development applies

*once transitional arrangements have ended (November 2020).

¹ MHCLG: [Housing Delivery Test: 2019 measurement](#)

- 1.11 If housing delivery falls below 95%, LPA's are required to produce an 'Action Plan' document. These should be prepared in accordance with national planning guidance and assess the causes of under-delivery, identifying actions to boost housing supply in future years.
- 1.12 Following the publication of the HDT results for 2019, LBN received a result of 77%. Whilst this shows a marked improvement from the 2018 measurement result of 71%, the Borough is still required to apply a 20% buffer on its future Five Year Land Supply, and produce an action plan to demonstrate how the Borough plans to incentivise increased housing delivery across future years.
- 1.13 As part of LBN's first Action Plan, published in August 2018, Newham committed to annual reviews of the document in the event that future HDT results fell below 95%. This approach was intended to help ascertain whether additional steps could be taken to help facilitate delivery in future years. Accordingly, this year's Action Plan update seeks to do this, both reviewing and providing an update on last year's commitments, including the steps the LPA has taken to ensure the continued transition of applications through the planning system in the wake of the COVID-19 crisis. The document also briefly revisits some of the concerns raised as part of last year's Action Plan around the test methodology, as well as causes of under delivery and the impact the COVID-19 crisis is likely to have on the housing sector and delivery in the coming years.

2. Response to the Housing Delivery Test 2019 Measurement

2.1 As part of LBN's first published response to the HDT, we outlined a number of concerns regarding the methodology of the measurement and how it is inappropriate to use in the LBN context. Whilst these concerns are set out in full in LBN's response to the HDT published in August of last year², a short summary of the key concerns raised is provided below:

- **Timeframe of the measurement:** A measurement timeframe of three financial year's completions is too short to account for the dense, phased, often very large and tall mixed use schemes which comprise the bulk of Newham's housing delivery.³ Such development typologies are realised as part of a plan-led approach to strategic site delivery and often take many years to achieve, as supported by the findings of the Letwin Review.⁴ Delays to a single 'block' of housing in any year could result in the loss of hundreds of units from completions figures, albeit these shortfalls are made up for across the extent of the authority's wider plan period and do not necessarily indicate a slowing of housing supply.
- **Market absorption rates and the LLDC:** LBN consider the separation of the LLDC from its constituent Boroughs, and the measurement more broadly, overlooks the fundamental realities of market absorption rates, which impact delivery rates in LBN to a significant degree. Around 63% of the LLDC falls within the LBN borough boundary. Dense delivery in the LLDC area is thereby likely to influence decisions to restrict unit release elsewhere in the Borough in a given financial year. Disaggregation of the LLDC from its host Boroughs also results in an artificially inflated "lower of" figure when calculating housing need using the standard method, noting the LLDC area cannot be disaggregated from the boroughs' population projections.⁵
- **Elements of delivery outside Local Planning Authority (LPA) control:** The HDT methodology implies LPAs are solely accountable for under-delivery of housing, failing to acknowledge the wide array of actors and circumstances which influence the health of the housing market. Whilst delivery levels below housing requirements need to be addressed, the onus to boost housing completions should be reasonably apportioned to all relevant sectors capable of influencing supply levels, including the private sector. Such an approach would provide a more comprehensive response to the issue of housing delivery, and ensure factors beyond the Local Planning Authority's control do not result in an

² See [Response to the Housing Delivery Test and associated Action Plan](#) (August 2019) 'The Newham Context and the HDT' for further analysis

³ For example, schemes on strategic sites comprised 75% of LBN's (excluding the LLDC) total completions for financial year 18/19

⁴ Rt Hon Sir Oliver Letwin MP '[Independent Review of Build Out](#)' (October 2018)

⁵ Note the Planning Inspectorate agreement on this inappropriateness of the Standard Method in the LLDC area – see '[Report to London Legacy Development Corporation](#)' (24 April 2020)

unnecessary undermining of the plan-led system and sustainable place-making objectives.

- **Undermining the development plan-led system:** LBN maintain that is unrealistic for Local Authorities to source an additional 20% buffer on top of their five year housing requirement, noting that higher buffer thresholds place no guarantee that consented schemes can be delivered any faster, particularly on complex large scale sites or demolition proposals tied to estate regeneration. Further to this, Newham’s housing target was last updated in December 2018, meaning that under-delivery of homes prior to financial year 2018/19 – applicable to the first two years of the HDT 2019 measurement – has been accounted for through Newham’s updated housing target. Bringing the NPPF’s tilted balance into force in respect of the Borough’s housing policies places the wider aims of the Local Plan at risk, increasing pressure on other protected land/sites and compromising the ability to address local needs in the pursuit of increased housing densities. On this basis, LBN maintain that the HDT is contrary to the fundamental underlying objectives of the NPPF, namely that the planning system should be “genuinely plan-led”, with succinct and up-to-date plans providing a positive vision for the future of each area, as reaffirmed in recent High Court decisions on land supply in relation to cases in Essex and Northhamptonshire.⁶
- **Accuracy of the delivery figures:** The figures utilised for the net homes delivered annually are sourced from the GLA’s London Development Database (LDD). However, inaccuracies in LDD data (through erroneous attributing of permissions to LLDC from Newham and vice versa) mean that historic delivery figures are often inaccurate.
- **Use of Local Plan targets in areas with a Spatial Development Strategy (SDS):** The rules of the HDT mean that a Borough subject to an SDS – such as the London Plan - may have to apply an outdated Local Plan housing requirement figure for the purposes of measurement.

⁶ Planning Resource [‘Why council land supply shortfalls may no longer tip the scales for developers’](#) (April 2020)

3. Causes of Under-delivery

3.1 Notwithstanding the reservations expressed above about the methodology of the HDT, LBN have previously identified – as part of last year’s Action Plan – reasons why housing delivery has not been higher in Newham in recent years. A summary of these previously identified points, alongside some commentary around anticipated impacts to delivery as a result of the COVID 19 crisis are provided below:

- *Market absorption rates*

Analysis undertaken as part of last year’s HDT response demonstrates that completions only comprise a small proportion of the Borough’s approved pipeline of consents. This picture of delivery is also clear at the national level, with research from the Local Government Association in 2020 showing that more than a million homes granted planning permission in the past decade have not yet been built.⁷ The Letwin Review and GLA Capital Gains⁸ evidence base make clear the reasons for lower completions rates, including market absorption rates, high infrastructure and remediation costs, multiple land ownerships, viability and safeguarded land such as wharfs, river crossings etc. These examples are all applicable to Newham where delivery heavily depends on the realisation of large-scale, strategic development proposals many of which are located on former industrial land. Such factors can have a significant influence on the time it takes to acquire full planning permission (including from a resolution to grant by a development committee) and undertake build-out.

- *The complexities of delivering projects on Council-land*

The Borough is also anticipating a substantial proportion of its future housing delivery to come from its estate regeneration programme in Canning Town and Custom House. The complex and resident-focused nature of these schemes often mean that delays to anticipated programmes will occur, for reasons including site assembly, mandatory ballots, demolition and ensuring the needs of existing tenants are met through decant policy. These schemes also involve extensive pre-planning work, alongside meaningful engagement with relevant stakeholders to ensure projects are comprehensive, viable and secure the best outcomes for the area and residents. Delays to any phase of a regeneration area are also likely to have knock on effects to the phasing and delivery of the wider programme timescales.

- *Building large and tall*

The majority of housing delivery in Newham comes from large scale, dense and tall delivery on strategic sites, which mainly fall in the south and west of

⁷ Local Government Association [‘Housing backlog – more than a million homes with planning permission not yet built’](#) (20 February 2020)

⁸ GLA [‘Capital Gains: A better land assembly model for London’](#) (February 2018) p.6

the Borough. These sites often deliver over multiple years, and are phased due to the complexities – both logistical and financial – of delivering these schemes. An archetypal example of such a scheme is Stephenson Street, which is set to deliver 3824 homes across the short, medium and long term phases of the Borough’s plan period. Given their scale, delays to strategic sites completions⁹ can result in hundreds of anticipated units falling into the following year’s delivery figures. In this way, delivery is less to do with shortages of supply, and more related to individual circumstances of a scheme and its context, with these schemes invariably ‘catching up’ with their previous under delivery in subsequent financial years. This can be seen in the examples of the Pumping Station and Royal Wharf in the 2019 LBN Action Plan. This too brings into question the suitability of a three year timescale for measuring delivery on sites which will complete over far longer timeframes and are delayed by circumstances often beyond the Local Authority’s control.

- *Other potential constraints*

Outside of Council-led schemes, delays to, or even failures of, scheme delivery can be due to a variety of factors, including developer / land owner business models, access to finance and intended mechanisms for build out (i.e. developers in isolations, joint ventures, forward sale of permissioned site), construction-skills shortages in the capital¹⁰ and, importantly, the health of the housing market. Timing of infrastructure delivery, including connectivity enhancements, new schools etc., can also significantly impact upon delivery timeframes of new homes, noting access to the services is often required prior to residents moving into new homes.

Looking to the London context, the London Housing Delivery Recovery Plan¹¹ – published by the GLA in July 2020 – points to a number of characteristics specific to the London Housing Market that have implications for delivery levels and timescales, including:

- Schemes being capital intensive at early stages, making them more reliant on forward sales and, thereby, being more susceptible to sales risk and delays to delivery timescales;
- Single phased large, multi-storey developments having limited opportunities to stall construction mid-delivery;
- Housing association-led schemes being dependent on cross subsidy on private sale homes; and
- Housing associations investing in building safety upgrades to existing stock, and greater levels of cladding remediation being required than other parts of the country due to the greater number of high-density housing schemes. This diverts investment capital from the delivery of new homes.

⁹ Meaning that units are ready for habitation with hoardings / scaffolding removed and landscaping complete.

¹⁰ Centre for London [‘Construction skills crisis in London strengthens case for innovative housebuilding’](#) (20 September 2018)

¹¹ GLA [‘London’s Housing Delivery Recovery Plan’](#) (July 2020)

These examples are all relevant to the Newham context, with such circumstances often having implications for the level and speed at which new, and affordable, homes can be built within the Borough.

- *The impact of COVID-19*

The COVID-19 crisis has affected on all spheres of life in recent months, with Newham being especially hard hit in terms of the impact of the virus on our residents.¹² Whilst Central Government has begun to ease some of the restrictions placed upon individuals during lockdown, it is clear the recovery process will take many months, and indeed years to fully realise. Noting this, it is important to distinguish between the short-term and long-term impacts of the virus as the recovery begins to take shape. This is reflected in Newham's COVID-19 Recovery Strategy which distinguishes between initial recovery measures the Authority is implementing to support residents and businesses across the next 12 months, and – looking to the longer term – reorientation to ensure that residents have everything they need to deal with the challenges of recession and thrive as the economy recovers.¹³

Looking to the short-term, latest economic data from the Office for National Statistics (ONS) shows that the UK economy shrank by 20.4% in April 2020, the largest contraction since records began.¹⁴ Job losses and furloughing of staff have been prevalent across many businesses. In terms of impacts on the construction industry, separate pieces of research undertaken by Barton Willmore¹⁵ and Knight Frank¹⁶ suggest completions are expected to shrink between 33% and 35% this year alone. These estimations are broadly aligned with GLA economic forecasts, which predict that construction output in London will fall by 34% in 2020, only recovering to 2019 levels by 2022.¹⁷ Survey work undertaken by Planning Resource has also found that more than nine in ten planning consultancies are furloughing staff in response to the COVID-19 pandemic, while more than two-thirds have introduced both temporary pay cuts and a recruitment freeze.¹⁸ The COVID-19 crisis has also led many development sites to temporarily close given safety implications and logistical constraints of continuing to work and practice social distancing. Whilst these pieces of research are only initial indications of the impact of COVID-19 on the development industry, it is clear that – in the short-term – the virus has slowed the construction timeframes of many schemes within the planning pipeline and is, therefore, likely to result in lower completions figures than previously anticipated.

¹² Newham Recorder '[Newham hit hardest by coronavirus deaths in England and Wales, ONS study shows](#)' (May 2020)

¹³ For further information see '[Towards a better Newham: COVID-19 Recovery Strategy](#)' (July 2020)

¹⁴ BBC '[UK economy shrinks record 20.4% in April due to lockdown](#)' (June 2020)

¹⁵ Barton Willmore '[The importance of housing as part of the exit plan](#)'

¹⁶ The Times '[Housebuilders in lockdown hits supply of new homes](#)' (April 2020)

¹⁷ GLA '[London's Housing Delivery Recovery Plan](#)' (July 2020)

¹⁸ Planning Resource '[Nine in ten planning consultancies furloughing staff and two-thirds cutting pay, latest survey finds](#)' (April 2020)

Recognising this, LBN are undertaking an initial appraisal of our five year land supply in light of the COVID-19 crisis, revising anticipated phasing timeframes where appropriate.¹⁹ Whilst still in the process of being finalised, initial revisions suggest that delivery is set to be lower than the Borough's housing target across the next five years as economic recovery from the crisis is keenest felt.

Whilst Newham has a substantial pipeline of consents, it is critical to recognise that – looking to the longer-term – economic slowdown may affect financing of schemes moving forward and may even result in some schemes not being realised as developers re-evaluate their delivery programmes. Whilst currently monitoring does not suggest a reduction in pipeline schemes being brought forward, it will be critical to continually monitor this picture to understand the full impact of the COVID-19 crisis on delivery, and whether initial shortfalls in delivery are able to be made up across the wider plan period.

¹⁹ See '[How we monitor the Local Plan](#)' LBN webpage – Five Year Land Supply update to be published before the close of Quarter 3 of the current financial year

4. Action Plan

- 4.1 Notwithstanding the reservations the Council retains regarding the HDT methodology, LBN as a pro-development authority remains committed to boosting housing supply to address local needs. This means not only delivering more homes, but ensuring new housing is well-designed, resilient to climate change, improves air quality and creates healthy environments in which our residents can thrive and be best placed to underpin the success of the Authority's Community Wealth Building Strategy. Such an approach aligns with that set out by the GLA in *London's Housing Delivery Recovery Plan*, which makes clear that any recovery from the COVID-19 crisis needs to ensure that the housing market works better for every resident of the city, addressing spatial inequalities, affordability challenges, air quality and the climate emergency through scheme design.
- 4.2 In recent years the authority has taken a number of proactive steps to facilitate increased delivery across the Borough's plan period. These measures were summarised as series of 'Action Points' in the [London Borough of Newham's Action Plan](#) published in August 2019.
- 4.3 As part of our August 2019 publication, LBN committed to review its Action Plan if future Housing Delivery Test results fell below 95%. This process would help to ascertain whether additional steps could be undertaken to help facilitate delivery in future years. Accordingly, the Action Points have been reviewed and updated where relevant, with any changes discussed in the accompanying analysis.

Action Point 1: Facilitating sustainable growth through Local Plan policies

Last year's action points

- Continue to implement recently (December 2018) adopted Local Plan policies to facilitate sustainable growth objectives, including the Plan's ambitious target of delivering 43,000 homes between 2018 and 2033 through the realisation of a number of large scale strategic sites.
- Supporting the provision of a mix and balance of housing types and sizes, ensuring delivery is targeted towards local needs and not at the expense of sustainable, plan-led growth.
- Sufficient infrastructure to support housing identified, planned for and monitored, through annual updates to the 'live' Infrastructure Delivery Plan (IDP).

Update on progress to date

- 4.4 The actions highlighted to facilitate delivery under last year's Action Point 1 remain largely relevant this year.
- 4.5 Newham adopted its current Local Plan in December 2018. The adopted Local Plan included updated policy, new site allocations and a revised stepped housing target for the Borough, aimed at securing housing delivery aligned with job creation and infrastructure provision across the plan period. The Local Plan provides a clear and robust policy framework, providing clarity and certainty for the development industry over which type of development will be acceptable in defined locations, underpinned by viability evidence. The Plan also provides clarity with respect to issues such as acceptable land uses, design quality, on site infrastructure and financial contributions.
- 4.6 The 2018 Local Plan housing target seeks the delivery of 43,000 homes between 2018 and 2033. This ambitious target has been split into three five year phases, forming a 'stepped' housing trajectory which is aligned with expectations around delivery timeframes. Looking to financial year 2018/19, 1911 homes were delivered in the Borough (excluding the LLDC area), over an 800 unit increase when compared to delivery in the previous monitoring year.
- 4.7 The Local Plan has 31 strategic site allocations, with financial year 2018/19 showing completed units at the former Pumping Station (WE8) (S30) and over a thousand units delivered at Royal Wharf (S22). In addition to this, latest trajectory data shows that over half of strategic sites delivering units within the plan period benefit from a resolution to grant, a planning consent or have completed units on site. This demonstrates the significant progress that has already been made in the early years of the plan period in the realisation of strategic site objectives.
- 4.8 In addition to strategic sites, the Local Plan also contains other designations which offer opportunities to bring forward housing capacity at a smaller scale across the Borough. This includes non-strategic housing allocations and local mixed use areas (LMUAs) - employment-led mixed use allocations which allow for the delivery of employment uses compatible with residential. Policy also encourages the provision of housing as part of mixed-use formats when delivering community facilities, recognising the interplay between new homes and associated supporting infrastructure. The flexibility these designations provide in allowing for compatible residential uses offers the opportunity to optimise quality housing delivery, noting that around 480 units in the current housing pipeline are located within LMUAs and community facility allocations.
- 4.9 It is also important that any future development supports the Borough's Community Wealth Building strategy, improves air quality²⁰, responds to the realities of the climate emergency²¹ and is resilient enough to deal with the

²⁰ For further information on Newham's commitments in relation to air quality see our '[Air Quality Action Plan 2019 – 2024](#)' (November 2019)

²¹ For further information on Newham's commitments in relation to the climate emergency see our '[Climate Emergency Action Plan](#)' (July 2020)

unexpected, including the challenges around COVID-19 and the recovery. The links between access to housing, the health, wealth and well-being of our residents and environmental outcomes are clear, with the provision of quality homes forming a key foundation of the Newham's Community Wealth Building Strategy.

- 4.10 Recognising this, the Borough is beginning the early stages of a review of our adopted Local Plan, to ensure the plan is robust and sufficiently able to deal with the challenges facing the Borough over the next 15 years. This includes ensuring the delivery of sufficient housing capacity to meet the needs of our residents based on the latest evidence of delivery timeframes. Further details of this process and timetables will be published in the coming months.
- 4.11 As outlined in last year's Action Plan publication, the Infrastructure Delivery Plan will continue to work in tandem with the Local Plan, identifying infrastructure needs and helping to streamline the assessment of the acceptability of uses in principle. Progress against IDP milestones are monitored and analysed in more detail within the Spatial and Strategic Monitoring Bulletin. One notable example of an infrastructure delivery milestone since the publication of last year's Action Plan is the reactivation of Peruvian Wharf in September 2019. The wharf is expected to handle more than 400,000 tonnes of cargo, and its opening marks the achievement of a key milestone of the PLA's Vision for the Tidal Thames document published in 2016. More broadly, the reactivation of the wharf forms a key component of the Borough's wharf consolidation strategy outlined within the Local Plan, which in turn will help to ensure the efficient use of industrial land within the docks to facilitate the delivery of major housing floor space, employment and infrastructure on strategic site allocations within the area.

Further actions proposed

- Begin the process of compiling evidence in order to review the adopted Local Plan, ensuring updated housing policies optimise the delivery of quality homes to meet the needs of our residents.

Action Point 2: Implementing the proactive steps taken at administration level to boost housing delivery

Last year's action points

- Utilise secured grant funding to begin construction of 1,000 genuinely affordable homes for Newham residents on Council-owned sites by 2022 in accordance with Mayoral pledges.
- Support the development and delivery of these 1,000 homes through the established Housing and Regeneration Delivery Team, appointing

necessary expertise in the short term to help facilitate delivery of the Affordable Homes for Newham Programme.²²

- Accelerate the Council's house building programme using funding from the Council's Housing Revenue Account (HRA), supplementing this through a combination of prudential borrowing, capital receipts, grants and Section 106 contributions.²³
- Continue to support the Authority's wider Estate Regeneration Programme at Canning Town, Custom House and Carpenters to deliver large, longer-term, mixed tenure projects.

Update on progress to date

- 4.12 The actions highlighted to facilitate delivery under last year's Action Point 2 continue this year.
- 4.13 As highlighted in last year's Action Plan publication, Newham's Mayor has placed the delivery of affordable homes at the heart of administrative priorities, with grant funding secured through the Mayor of London's Building Council Homes for Londoners programme. Building Communities through improving the supply and quality of housing also forms a key pillar of Newham's Corporate Plan for 2020-2023.²⁴
- 4.14 The Mayor's manifesto target looks to begin construction on 1,000 affordable homes on Council owned sites before 2022, forming part of the wider 'Affordable Homes for Newham Programme' consisting of delivery from Populo Living (formerly known as Red Door Ventures), LBN Regeneration and small, medium and major scale sites and acquisitions. Such an approach seeks to build long term capacity within the Council to directly deliver housing sites for its residents in future years. As of January 2020, work has begun on 234 homes, with plans having been submitted for another 137 units.
- 4.15 The Council has also given £113.1m in funding to the Local Authority owned house building company, Populo Living, to develop 294 new homes across six sites in Plaistow, of which 104 will be let at affordable rent levels.²⁵ With regards to Populo Living's delivery programme, in February 2020 the company gained approval from cabinet for their new business plan for financial year 2020/21, which included an over 800 unit increase in the number of affordable homes the company is anticipated to provide compared to the previous financial year's business plan. Cabinet agreement was also gained for the company to provide

²² Cabinet Report '[Establishing the Affordable Homes for Newham Programme and securing GLA funding](#)' (05/02/19)

²³ Cabinet Report '[HRA Business Plan](#)' (04/12/2018) and Cabinet Report '[Housing Delivery Statement](#)' (15/11/18)

²⁴ Cabinet Report: '[Corporate Plan 2020-23](#)', (03/03/2020)

²⁵ Newham Recorder '[234 down, 822 to go: Newham Mayor says council on course to meet March 2022 new affordable homes target](#)' (14/01/2020)

development management services for the next stage of work for the regeneration of the Carpenters Estate.²⁶

- 4.16 Looking to the longer term, the Local Authority's Regeneration Programme is also set to deliver high numbers of new dwellings across the Authority's plan period, including contributions to the Mayoral 1000 affordable homes target. Since the publication of last year's Action Plan, LBN Cabinet has resolved to agree changes to an existing Principal Development Agreement (PDA) with BY development to facilitate the commencement of phase 3 of the Hallsville Quarter development, which is set to deliver 620 new homes alongside commercial uses and a community health facility.²⁷ There has been a resolution to grant for 804 dwellings at Manor Road quarter in Canning Town (Regeneration area 20). Of the residential units approved, 50% will be affordable housing, with 180 units being delivered as London Affordable Rent homes. Agreement was also gained from Cabinet in 2020 to undertake a bid to the Mayor of London's Good Growth Fund for Queen's Market, and the commissioning of investigative studies looking at options for the redevelopment of Queen's Market and Hamara Ghar, aligned with the aspirations of Strategic Site allocation S27.²⁸
- 4.17 The COVID 19 crisis has meant that construction on Affordable Homes Programme schemes has had to be temporarily ceased and anticipated timescales on certain sites may need to be revised. However, latest timetables show the primary objective to delivery 1000 affordable starts by March 2022 remains on track.
- 4.18 It is also important to recognise that increases in the delivery of affordable tenures can help to boost the speed at which schemes are built out, with research from Lichfields suggesting that schemes with affordable housing levels above 30 per cent build out on average about twice the rate of those with lower affordable levels. This is due to a number of reasons, including:
- affordable homes being able to benefit from grant or subsidy;
 - registered providers typically having confidence in filling a large number of homes as they provide an 'immediate purchaser' for multiple products, helping with cash flow and acting as a catalyst for infrastructure and services, which may unlock further development; and
 - affordable homes targeting a different segment of the market than open market housing, widening the scope of potential residents.
- 4.19 To support the continued delivery of quality affordable homes in the coming years the Council is in the process of developing a new Housing Strategy which will focus on delivery and build on the authority's Housing Delivery Plan approved in 2018. In this way, Newham's prioritisation of affordable housing delivery will help with with providing certainty around housing completions,

²⁶ Cabinet Report '[Agreement of Red Door Ventures Business Plan 2020/21](#)', (18/02/2020)

²⁷ Cabinet Report '[Area 7 \(Hallsville Quarter\) – approval of matters relating to phase 3](#)' Dated 03/12/2019

²⁸ Cabinet Report 'Green Street Town Centre Programme' Dated 18/02/2020 - <https://mgov.newham.gov.uk/ieListDocuments.aspx?CId=294&MId=12563>

something which is likely to be beneficial given anticipated fluctuations in the private housing market as a result of the COVID-19 crisis.

4.20 The Borough is also committed to playing its part in helping to realise the priorities and key actions outlined within *London's Housing Delivery Recovery Plan*, prepared by the GLA in response to the COVID-19 pandemic. Key priorities and recommended responses identified in the document include:

- The public sector building supply chain confidence about the levels of effective demand, with support through Central Government funding. Such funding, if provided, can help to allow flexibility for change of tenure to affordable products (through the GLA's affordable homes programme) in the event confidence in the private market falls;
- Securing certainty around the policy and funding environment, strengthening confidence around development commencement dates, particularly in expanding the next Affordable Homes Programme to better reflect the true costs of building affordable housing in the Capital;
- The importance of cross-sector collaboration in fostering a skills-led recovery to support those at risk of job losses; and
- Creating a more streamlined land assembly system in order to better manage public sector assets and co-ordinate a more strategic approach to housing delivery accompanied by adequate supporting infrastructure.

4.21 While many of the priorities outlined within the Recovery Plan are dependent on agreement from and sufficient funding being obtained by Central government, Newham as a Borough recognise the importance such changes could have in helping to facilitate quality housing developments aligned with the Borough's needs. As such, we will commit to work with the GLA where required to realise and lobby for these objectives.

Further actions proposed

- Working and lobbying with the GLA to help address the delivery constraints facing the Capital, namely the delivery of genuinely affordable homes.
- Development of a new Housing Strategy for Newham that focuses on increasing supply of new affordable housing.

Action Point 3: Maintain a constructive dialogue with relevant stakeholders to engender a co-ordinated approach to delivery

Last year's action points

- Continuing the practice of listening to and engaging with developers, land owners, land promoters, residents and Duty to Co-operate partners through the wider plan-making and monitoring process.
- Working with Developers to understand and interrogate the Five Year Land Supply, identifying where sites are stalled and understanding any barriers to delivery which can be addressed by the Local Planning Authority.
- Providing an efficient and high quality Development Management procedure that offers certainty to applicants at the earliest stage of the planning process, facilitated through comprehensive Pre-Application feedback and Project Planning Performance Agreements (PPPAs).
- Promoting the use of PPPAs for large-scale, complex schemes, helping to streamline decision making for strategically significant development proposals. Continuing to provide services including Development Members Control Forum and the independent Design Review Panel to identify any questions or concerns surrounding major development schemes, helping to smooth their transition through the decision making process.
- Ensuring all planning applications are determined in a timely and efficient manner, working with Applicants to resolve issues which arise through assessment and decision making where these can be overcome within the scope of the application submitted.

Update on progress to date

- 4.22 As outlined through both the 2019 and 2020 Action Plan documents, LBN maintain that successful delivery of housing is shaped by numerous actors that sit both within and outside the Local Planning Authority. As witnessed in recent months, social and economic circumstances can have critical impacts on the delivery of housing. Consequently, it is of fundamental importance that LBN continue to engage with key groups during the coming months and years to ensure policy monitoring and formulation continue to facilitate quality developments.
- 4.23 As stated in Action Point 1, LBN intends to begin the review process for its adopted Local Plan. The initial stages of the plan review process will involve the undertaking of evidence-base building, including the commissioning of a joint Strategic Housing Market Assessment and Housing Needs Assessment.

This will ensure that evidence of resident's housing needs are fully reflected in any options for policy revisions taken forward. Extensive engagement around any review of the plan, including the scoping of any amendments to housing policies, targets and allocations, will also be critical to ensure the deliverability and soundness of proposed changes. Understanding the impact of COVID 19 on the construction industry will form a critical component of ongoing discussions with developers, informing phasing expectations as part of the Authority's Five Year Land Supply and associated housing monitoring work, as well as potential amendments to Local Plan policies and allocations through the plan review process.

- 4.24 Separate to plan-making, a responsive Development Management team will also help to ensure that applications for development continue to deliver high quality customer service. Indeed, such an approach is reflected in the Development Management team's response to COVID-19, with the virtual committees being held as early as April and pre-application and PPPA meetings continuing to take place via online platforms.
- 4.25 Constructive dialogue with developers throughout the application cycle will be critical to the timely processing of applications, ensuring any issues arising from schemes are addressed at an early stage of the application process. As highlighted in LBN's 2019 Action Plan, continued utilisation of pre-application discussions and planning project performance agreements (PPPAs) will provide applicants with increased certainty around whether proposals accord with the provisions of the development plan and help to guarantee the smooth transition of applications through the planning process. This is also true of the Council's Development Control Members Forum and Design Review Panel, which often help to facilitate the determination of complex major scale development works through the application and development committee process. Such commitments to quality customer service and timely decision making are reflected in the latest data returns to Central Government, which show that 99% of major applications and 100% of non-major applications were determined by Newham within statutory time limits.²⁹
- 4.26 Since the publication of the 2019 Action Plan the Local Authority's pipeline of developments has grown significantly, with resolutions to grant on a number of large scale major schemes including Morgan Housing in Stratford (423 units), Royal Docks Service Station (295 units), detailed consent for phase 1 of Silvertown Quays (decision issued for 943 units) and land adjacent West Silvertown DLR (252 units).
- 4.27 As the early stages of the plan review process get underway, it will be of fundamental importance to ensure identified housing capacity continues to be translated into on-site completions through a strategic approach to delivery. This means ensuring planned housing is supported by sufficient infrastructure and through detailed master planning of major strategic allocations. The anticipated economic slowdown resulting from the COVID-19 crisis and its

²⁹ MHCLG '[Live tables on planning application statistics](#)' See tables P151 and P153 (January 2018-December 2019)

resultant impact on land supply, although stemming partly from the strict deliverability definition in the NPPF, are likely to be overcome through such an approach, working with stakeholders to ensure housing delivery on plan allocations is optimised. The work the Borough is currently undertaking with the GLA and TfL in preparing the Royal Docks and Beckton Riverside Opportunity Area Planning Framework (OAPF) is one critical example of this.

- 4.28 The Royal Docks and Beckton OAPF is intended to provide planning, regeneration and design guidance for the Royal Docks area, Beckton Riverside and much of Canning Town and Custom House, guiding and facilitating development in the area up to 2041. The OAPF will also be a mechanism to help support the delivery of key infrastructure in the area, which in turn will guide the design-led optimisation of housing density on strategic site allocations within the OAPF area boundary. The certainty this project brings will likely help to boost delivery in the coming years, through masterplanning of the areas which are anticipated to comprise the bulk of Newham's anticipated housing completions across the Local Plan period.

Further actions proposed

- Continue to work with the GLA and TfL in the production of the Royal Docks and Beckton Riverside Opportunity Area Planning Framework draft, recognising the opportunities this project provides in helping to optimise strategic delivery through co-ordinated masterplanning and alignment with planned infrastructure enhancements.
- Engaging with developers around the impact of COVID 19 on their anticipated delivery timeframes.
- Ensuring applications are not unduly stalled throughout the COVID-19 crisis, including continuing to host development committees on online platforms.

Monitoring Action Points

- 4.29 Monitoring of the measures employed by the Council to stimulate housing delivery will continue to be assessed through the Local Authority Monitoring Report Housing Bulletin. This document will look at the issue of delivery figures in the wider plan context, analysing reasons for delivery figures across the financial years that are monitored.
- 4.30 Should the Local Authority be identified as requiring an Action Plan as a result of future HDT measurements, reviews of the Council's Action Plan document will be undertaken to ascertain whether additional steps can be taken to help facilitate delivery in future years.