

Lewisham Local Plan IIA: Note on options for boosting supply

Introduction

AECOM is leading on the Integrated Impact Assessment (IIA) process that is being undertaken alongside preparation of the Lewisham Local Plan. A key stage in the IIA process involved publication of the formally required IIA Report alongside the Proposed Submission Lewisham Local Plan under Regulation 19 of the Local Planning Regulations in 2022. The aim of the IIA Report, in accordance with regulatory requirements, was essentially to present an assessment of “the plan and reasonable alternatives” and “an outline of the reasons for selecting the alternatives dealt with”. Also, it is important to note that an Interim IIA Report was published alongside the Draft Lewisham Local Plan under Regulation 18 in 2020, which also presented the information required of the IIA Report.

At the current time the Local Plan is the focus of an Examination in Public (‘Examination’), and hearing sessions are timetabled for June and July 2024. There is no consultation at this stage, and hence no call for an IIA Report. However, there is an opportunity to use IIA as a forum for presenting analysis aimed at informing the Examination.

Specifically, the **aim of this IIA Note** is to present analysis in respect of the current proposal to boost housing supply in the early years of the plan period. This proposal is explained in the Council’s Housing Target/Requirement Hearing Statement, including within the Council’s response to the following question posed by the Inspector:

“In light of the December 2023 Housing Delivery Test Result should a 20% buffer be applied to the initial 5-year housing land supply as opposed to a 5% buffer? If so, how would the additional capacity be achieved? In addition, has the implication of a higher housing requirement been assessed through the SA/IIA and HRA?”

The proposal is also explained in detail within an Additional Housing Supply Background Paper (May 2024) (LC10). In summary, whilst the annual housing requirement is quite clear cut, there is also a need to consider the question of being able to demonstrate a five year housing land supply – as measured against the annual housing requirement – at the outset of the plan period. In this regard, the situation has evolved since the plan was submitted.

Specifically, the latest Housing Delivery Test results (December 2023), show the Council to perform notably worse than the previous set of results that were accounted for at the time of plan submission. The implication is that, at the point of adoption, the Council must be able to demonstrate a five year housing supply as measured against the housing requirement *plus 20%*. In turn, the implication is a need to boost supply in years 1 to 5 of the plan period.

Options for boosting supply

The proposed approach

The proposed approach to boosting supply in years 1 to 5 of the plan period is set out in the aforementioned Background Paper, and then summarised in the Housing Targets/Requirement Hearing Statement as follows:

“The Council refers to Tables A1 to A5 in Appendix 1 of the Background Paper. These comprehensively reconsider each of the site allocations and their potential for uplift, to establish if additional housing capacity can be found [demonstrating] that additional supply could be brought forward into the first five years, through aligning capacities with current pre-applications and applications and considering average densities. However, the exercise also demonstrates that some supply would need to be pushed back. Conversely, it found that no additional capacity [in the first five years] could be gained on many of the site allocations. It [also] determined that... the small site target [based on] that contained in the London Plan cannot be increased further...”

... It is noted that much of the additional supply in Years 1 – 5 comes from increasing capacity on existing site allocations [or] bringing forward units from later in the supply trajectory, as opposed to identifying new sites... only 304 additional units have been added to the newly proposed housing trajectory May 2024 compared to that contained in the submission version of the new Local Plan in November 2023.”

In summary, the proposed sources of new supply for years 1 to 5 are as follows:

- 660 homes – by increasing capacity at sites on the basis of latest information from planning consents, planning applications or pre-app discussions. N.B. this is a net figure.

- 220 homes – to reflect latest understanding of when sites will deliver, in light of information from planning consents, planning applications or pre-app discussions. N.B. this is a net figure.
- 170 homes – from site where the Council does not accept the higher capacity figures being proposed by the site promoter through representations and/or pre-app discussions but is happy to accept a more modest boost to capacity, particularly informed by work to explore the average residential densities surrounding the sites.
- 260 homes – additional supply in years 1 to 5 from windfall sites that are consented or at the pre-app stage.

This leads to a total additional supply for years 1 to 5 of 1,310 homes (but, to reiterate, additional supply of just 304 homes over the plan period as a whole).

Reasonable alternatives?

The key question here is whether there are any reasonable alternatives to this emerging proposed approach.

In this regard, the first point to note is that attention must focus on sites that are the subject of current planning applications or pre-application discussions. Consented sites need not be a focus (because it is typically fair to assume that the consented scheme will be implemented), whilst other allocations need not be a focus because there is insufficient confidence that they could be brought forward in years 1 to 5.

On this basis, attention focuses on the existing allocations discussed across the bullet points above, with the exception of eight sites with planning consent. There are no other allocations at the app or pre-app stage (i.e. there are no existing allocations at the app or pre-app stage and where the proposal is not to make an adjustment).

The next question is then whether there are any omission sites, i.e. sites that are available for development but not allocated in the plan, which might realistically be allocated in order to boost supply in years 1 to 5. However, the short answer is that there are not. There are no clear omission sites at all, as discussed within the Background Paper (2024) and within Section 5.3 of the IIA Report (2022), let alone ones that could deliver in years 1 to 5.

The final question is then whether there is an alternative approach that might be taken in respect of any of the sites at the application or pre-app stage discussed above. As part of this, attention naturally focuses on the question of boosting site capacity, as opposed to the question of when / at what rate the sites will deliver. Also, it is reasonable to focus on the possibility of boosting density within existing site boundaries, rather than extending site boundaries.

The following bullet points consider the sites in turn (with the proposed approach explained in brackets):

- Lewisham Shopping Centre (boost capacity by 241 homes) – this site was a focus of IIA work prior to submission, in that capacity was explored as a variable across the reasonable alternative growth scenarios (see Part 1 of both the IIA Report and Interim IIA Report). Specifically, the assumption under Scenarios 3 – 6 was that phase 1 of the BLE would be delivered and so potentially enable a boost to capacity, e.g. 10%. This would amount to ~150 homes, and certainty regarding BLE phase 1 has not increased since the time of plan finalisation / submission, hence it is important to scrutinise the current proposal. Considerations include:
 - The site is subject to flood risk.
 - It is important to consider any implications for the use mix and, in turn, building heights and public realm. The IIA Report flags the site as being key from a perspective of delivering town centre uses and, indeed “key to the renewal of the town centre... a critical role in linking sites and neighbourhoods surrounding it.”
 - A possible a heat network has been discussed, and this will be heavily dependent on density and use mix.
- Ravensbourne Retail Park (boost capacity by 94 homes and bring forward 200 homes; southern area) – this site is subject to flood risk (an objective is to enhance the river corridor), plus the IIA Report flags the importance of considering the use mix, as this is a key site in the south of the A21 corridor. There is also discussion within the ‘Economy’ section of the appraisal: *“Another site of note is Ravensbourne Retail Park, which does not comprise designated employment land, but which is notably adjacent to the Bromley Road SIL. The proposed strategy is notably amended, in comparison to the Draft Plan stage, with the new proposal for a mixed use residential and employment scheme, as opposed to a residential and retail / town centre uses scheme.”* As such, this does stand-out as a site where there is a need for caution in respect of boosting supply.
- Bell Green Gas Holders and Livesey Memorial Hall (boost capacity by 74 homes) – this is a prominent and complex site, as discussed within the current Housing Target/Requirement Hearing Statement:

“... the challenges of redeveloping the site without detrimentally impacting on the heritage, cultural, nature conservation and open space assets of the site. Additionally, it is now anticipated that the site will be delivered in advance of the delivery of the Bakerloo Line Upgrade and Extension and thereby the opportunity to further uplift the capacity on this site will be missed.”

It is also understood that land contamination is another consideration potentially with a bearing on capacity and use mix. Further information is available from the site promoter here: <https://bellgreenworks.co.uk/>.

The IIA Report did not highlight any further issues over-and-above those discussed above (N.B. the report incorrectly refers to the gas holders as still being present, but in fact the site has been cleared). Overall, it is clear that the site has been a focus of detailed work leading to the current proposal to boost capacity by 74 homes, and whilst certainty regarding the BLE could serve as an argument for explore a further boost, there is currently no certainty and hence there is no basis upon which to question the 74 homes figure.

- Conington Road Tesco (boost capacity by 46 homes) – there is an element of sensitivity associated with this site, as discussed within the Biodiversity section of the IIA Report:

“Conington Road (which is committed) and [Conington Road Tesco] are two adjacent sites in the central sub-area closely associated with the river corridor. Site specific policy explains that: *“Development should positively respond in scale, bulk and massing to the River Ravensbourne, taking advantage of the natural slope of the site. The river embankment should be visually and physically accessible from Conington Road and improve access to Lewisham transport interchange, Lewisham Gateway and the wider town centre environs.”* Site specific policy has been supplemented, since the Draft Plan stage, to require that consideration is given to the River Corridor Improvement Plan SPD. However, it is understood that a local action group, with an interest in re-naturalising the river corridor, would wish to see firmer requirements set.”

- Mantle Road (boost capacity by 46 homes) – this site also has a degree of biodiversity sensitivity, with the IIA Report explaining: “111-115 Endwell Road and 6 Mantle Road are two nearby small proposed allocations adjacent to the railway line and the associated embankment, which is designated as a SINC. Site specific policy for both proposed allocations explains that: *“Development proposals must protect and seek to enhance green infrastructure, including the SINC and green corridor along the railway embankment.”*”
- Catford Police Station (boost capacity by 30 homes) – heritage is a key sensitivity here, with the IIA Report explaining that it is “a locally listed building, and the potential for redevelopment is explored in detail through the A21 Development Framework. The proposal is to retain the main historic building fronting the A21 and redevelop land to the rear.” However, the report also notes that: “The current proposal is for 24 homes, whilst the proposal at the Draft Plan stage was for 39 homes.” Finally, this is another site where there is a need to consider whether the proposal to boost housing capacity has implications for use mix, noting that the proposed use mix at this site evolved between the draft plan stage and publication/submission.
- Evelyn Court LSIS (boost capacity by 30 homes) – this is one of three small areas within the Surrey Canal Road SIL where the proposal is to change the designation to LSIS (which then generates a need to designate a compensatory new area of SIL at Bermondsey Dive-under). This indicates a degree of sensitivity, and the IIA Report also notes: “The proposal is now for more intensive redevelopment of this 0.27 ha site, compared to the Draft Plan stage, namely 102 homes (up from 38 homes) and 2,381m² employment space (up from 1,310m²).”
- Lewisham Retail Park (bring forward 200 homes) – this site is the subject of limited discussion within the IIA Report because at the time of preparing the report understanding was that the site was consented. However, the report does flag that the site is subject to significant flood risk, which could well have a bearing on any consideration of options for boosting site capacity (N.B. the current proposal is *not* to boost capacity).
- Albany Theatre (push back 119 homes) – this is a site where there is now no delivery anticipated in years 1 to 5, hence it need not be considered further.
- Catford Shopping Centre and Milford Towers (push back 200 homes) – this site was a focus of IIA work prior to submission, in that capacity was explored as a variable across the reasonable alternative growth scenarios (see Part 1 of both the IIA Report and Interim IIA Report). Specifically, the assumption under Scenarios 4 – 6 was that phase 1 of the BLE would be delivered and so potentially enable a boost to site capacity, e.g. 20%. However, certainty regarding BLE phase 1 has not increased since the time of plan finalisation / submission, hence there is little case for considering a boost to capacity (plus there is little reason to assume any boost could be delivered in years 1 to 5). This is a key town centre site where use mix is very important, which is a key factor that must feed into any consideration of options for boosting capacity. Higher density schemes can improve scheme viability leading to more potential to deliver non-housing uses, but this is not always the case (as costs can increase with building height, above a certain level), but equally pressure to boost capacity can lead to pressure to ‘squeeze’ non-housing uses, particularly if building heights are limited (as could well be the case here, given a central location within a historic town centre).
- Achilles Street (lost 21 homes) – this is a sensitive site on account of comprising an existing housing estate, and there are no clear wider arguments for exploring a boost to capacity.

In **conclusion**, it is not possible to pinpoint reasonable alternatives at this stage, i.e. alternative approaches that might be taken to boosting supply in years 1 to 5. However, the first two sites listed above (Lewisham Shopping Centre and Ravensbourne Retail Park) stand-out as sites where there is a need for ongoing scrutiny of the proposal to boost capacity, i.e. consideration of the possibility of a reduced boost to capacity, or not boosting capacity. Conversely, no sites stand out as being associated with a clear basis for further boosting capacity, or boosting capacity (in the case of those sites where the current proposal is not to boost capacity, but rather just to adjust assumptions/expectations regarding when new homes will be delivered within the plan period).

Informal appraisal

The final task is to discuss the implications of the proposed approach to boosting supply in years 1 to 5, accounting not only for site-specific issues, as set out above, but also in-combination issues (and, in turn, effects), accounting for the clustering of proposed locations, including in terms of the sub-area within which they are located. Also, with regards to methodology, it should be noted that whilst the appraisal naturally focuses on the question of boosting site capacities (seven of the sites listed above), there is also a need to recall that the phasing of site delivery can give rise to notable implications/effects, e.g. given the need to phase housing delivery with infrastructure upgrades.

When looking to give systematic consideration to the implications of the proposed approach, there is a need to account for the IIA framework (see Section 3 of the IIA Report), at the core of which is a list of 11 topic headings. However, in respect of the majority of headings there is no potential to draw significant or otherwise meaningful conclusions on the proposed approach. Key considerations relate to:

- Housing – there is obviously support for boosting supply in years 1 to 5 (1,310 homes) and across the plan period as a whole (304 homes). The IIA Report explained that there are clear arguments for boosting supply from a housing perspective (albeit also drawbacks, e.g. from an accessibility / transport perspective without the BLE). As well as boosting supply, there is also a need to consider what the housing requirement should be set at, where the housing requirement is the figure against which the Council commits to be monitored, for the purposes of calculating performance against the Housing Delivery Test. The housing requirement must be ambitious but achievable, i.e. the plan must not be set up to fail (the Housing Delivery Test).
- Transport – this is a matter that has been a focus of detailed stand-alone work, through a Transport Assessment Addendum, as summarised within the Housing Target/Requirement Hearing Statement:

“Having compared the original Transport Assessment modelling with the latest uplift figures... the Addendum concludes that when compared to the previous predictions, growth is 36% lower between 2016 and 2026, but only 3% lower between 2016 and 2041 and that there are spatial differences in where the housing sites are located. This lower level of growth prior to 2026 is due to a number of factors. These include the stalling of sites; poor on the ground delivery in recent years; long lead in times on some sites; protracted Section 106 negotiations; slow build out rates for tall buildings; the negative impacts on the construction industry arising from Covid-19, Brexit, inflation; and the state of the national economy. In order to account for this, and to ensure that the five-year housing land supply remained realistic and deliverable, the Council pushed back the delivery of housing to later within the Plan period in the housing trajectory at Regulation 19 stage. The uplift now being proposed early in the Plan period [i.e. the focus here] has not compensated against this push back at Regulation 19 stage as the growth in housing is relatively small in absolute terms, with only 541 more homes between 2016 and 2041 than predicted at Regulation 19 stage. Therefore, the original transport modelling work is considered a worst-case scenario, as it originally anticipated that the delivery of housing would be earlier. The traffic impacts in the original transport modelling predictions (as stated in Lewisham Council Transport Assessment 2020 EB60) are likely to remain worse than what will occur in reality in 2026 and 2040.”

In short, the Transport Assessment Addendum does *not* flag any significant concerns. Equally, it is difficult to make any wider comments here, with any confidence, regarding the transport merits of boosting supply at the seven sites discussed above (nor significantly bringing forward delivery at one site, namely Lewisham Retail Park). Certain of the sites are clearly highly accessible and well-connected locations regardless of BLE, most notably Lewisham Shopping Centre, and none of the sites stand out as problematic in this regard. Bell Green is currently a less accessible / well-connected location, but the area is evolving. Mantle Road is in the West of the Borough, away from the main centres and transport corridors, but is adjacent to Brockley Station.

- Flood risk – is a focus of the IIA Report, which overall predicted that the Local Plan would result in a negative effect. However, the Environment Agency (EA) has subsequently been consulted. The EA will likely wish to confirm their satisfaction with the current proposal to boost capacity at two constrained sites.
- Use mix – is another matter for ongoing scrutiny, with a focus on town centre uses at some sites (e.g. Lewisham Shopping Centre) and employment uses at others (e.g. Evelyn Road LSIS).

- Historic environment – there is always a need to consider the implications of boosting site capacities from a historic environment / heritage perspective, and the key site in this regard appears to be Catford Police Station.

In **conclusion**, the proposed approach to boosting housing supply in years 1 -5, including by supporting a boost to capacity at seven sites, represents a highly proactive approach to responding to housing needs. With regards to wider implications, there are a number of important considerations, recognising that capacity at proposed allocations has been a key focus of the plan-making / IIA process (albeit recognising that assigning capacities to sites through a local plan in the London context is never something that can be done with complete certainty). In light of the appraisal presented above, there is a need for ongoing scrutiny of the two sites with the most significant proposed boosts to capacity (Lewisham Shopping Centre and Ravensbourne Retail Park), including from a flood risk perspective, and Evelyn Court LSIS is another site that warrants ongoing scrutiny from a use mix perspective.