Croydon Local Plan Review Planning Bulletin

25th June 2020 Interim Bulletin Cllr Paul Scott Cabinet Member Responsible for Planning and Regeneration

Croydon Local Plan Review Update

Despite the current circumstances work is continuing on the partial review of Croydon's Local Plan (CLP). In the difficult times that lay ahead it is important that we are enabling the continued growth and development of the borough. The housing crisis has not gone away and if anything, the lockdown has highlighted even further the need to tackle homelessness, poor housing and overcrowding. It has also reinforced the importance our public open spaces and access to private outside space for all our residents.

The first stage of the Partial Review of the Croydon Local Plan (CLP) covering 'Issues and Options' closed on the 20th January. Over 1000 responses were received from residents and other key stakeholders. We have reviewed and started to consider the responses. Whilst a lot of detailed work is required we are able to start to define our 'direction of travel' on some of the key issues,.

The second stage of the Partial Review of the CLP is planned to be published in the autumn. This will be our proposed draft Plan. We will widely consult all interested stakeholders again at that stage.

Croydon's local plan will need to be in compliance with the Mayor's London Plan. Sadiq Khan decided to reduce London's housing targets in the draft Plan from circa 65,000pa to 52,000 in response to the recommendations of the panel of government inspectors who reviewed the draft plan. However, in endorsing this change the Secretary of State has directed (told) the Mayor to make the London Plan clearer on how more homes will be delivered. A major point of contention is identifying locations for higher density developments. The Government's clear intention is that more homes should be built in the suburbs through what the Secretary of State is calling 'Gentle Densification'. This is the approach supported in Croydon's Suburban Design Guide Supplementary Planning Document (SPD2).

As tackling the housing crisis is one of the top priorities of our local plan, defining the level of growth remains one of the most important decisions we need to make. As always, it is also one of the most difficult. Understandably many people are concerned about change in their neighbourhood. This though needs to be balanced against the desperate need for many more new homes. We need to continue to work towards ensuring that everyone can have a decent home they can afford. The evidence clearly shows the need for homes of all sizes for local people.

The other particular focus of the review is sustainability, and the protection and improvement of our environment. We need to provide the homes for local people whilst also ensuring that we have a sustainable borough that is green, healthy and pleasant environment to live, work and play in. We must also protect the character of each of the places in the borough whilst allowing them to continue to grow and evolve. This is clearly a difficult challenge.

This bulletin will now look at what our housing targets are likely to be, based upon the current situation with regards to the London Plan and then set out our 'direction of travel' on some key points.

Housing delivery in the Croydon Local Plan review

When considering 'housing targets' we need to remember that they are being set to help everyone in our society to have a decent home they can afford.

The draft London Plan following Secretary of State direction to amend

The Secretary of State has directed the Mayor of London to amend his London Plan before it can be adopted. Two of the changes have a particular impact on how the Croydon Local Plan review evolves in terms of housing targets and delivery.

1. Change 1 affects paragraph 0.0.21 of the draft London Plan. The Secretary of State has amended it so that it says "The Plan provides an appropriate spatial strategy that plans for London's growth in a sustainable way and has been found sound by the planning inspectors through the examination in public. The housing targets set out for each London Borough are the basis for planning for housing in London. Therefore, boroughs do not need to revisit these figures as part of their local plan development, unless they have additional evidence that suggests they can achieve delivery of housing above these figures whilst remaining in line with the strategic policies established in this plan."

2. Change 2 affects Policy D3 of the draft London Plan. The Secretary of State has added three new clauses to the policy that say:

a. "The design of the development must optimise site capacity. Optimising site capacity means ensuring that development takes the most appropriate form for the site. Higher density developments should be promoted in areas that are well connected to jobs, services, infrastructure and amenities by public transport, walking and cycling.

b. Where there are existing clusters of high density buildings, expansion of the clusters should be positively considered by Boroughs. This could also include expanding Opportunity Area boundaries where appropriate.

c. Gentle densification should be actively encouraged by Boroughs in low- and middensity locations to achieve a change in densities in the most appropriate way. This should be interpreted in the context of Policy H2."

These changes, coupled with the fact that Policy H2(A)(5) of the draft London Plan sets out <u>minimum</u> targets for development on small sites (sites of less than 0.25ha) for each borough, mean the following for Croydon and the Local Plan review.

Our housing target for the Croydon Local Plan review

It is thought by officers that a housing target for the period 2019 to 2039 would look as follows:

Component	Total
Intend to Publish housing target 2019 – 2029	20,790
Small sites allowance rolled forward 2029 – 2039	6,410
Strategic Housing Land Availability Assessment – total	6,296
Constrained Capacity	
TOTAL housing required 2019 – 2039	33,496

However, the change to paragraph 0.0.21 means that that the housing target in Policy H1 of the new London Plan should now be seen as a minimum target. So a minimum of 33,496 homes should be built in Croydon between 2019 and 2039.

This compares to the current Croydon Local Plan 2018 which sets a target of a minimum of 32,700 homes between 2016 and 2036, of which (as of 31/03/2019) 6,109 have already been built (leaving a residual of 26,591 left to be built).

In terms of average annual housing delivery figures (to make it directly comparable) it means the following:

Croydon Local Plan 2018 (original minimum annual rate of housing delivery required for whole plan period 2016-2036)	Draft London Plan (minimum annual rate of housing delivery required 2019-2039)
1,635	1,675

As such the draft London Plan represents an increase of just 40 homes a year over the current Croydon Local Plan 2018. In terms of development on small sites (commonly either through converting a house to flats, or demolishing an existing house(s) and building a block of flats), over the 20 year plan period, Policy H2 of the draft London Plan says a minimum of 12,820 homes should be built on small (windfall) sites (less than 0.25ha). This is a minimum target. It works out at 641 homes a year on small sites. In comparison the current Croydon Local Plan sets a target of 591 homes a year on small sites.

The different sources of new homes in Croydon from 2019-2039 (under Option 2 of the Issues and Options consultation)

Under option 2 of the Issues and Options consultation a total of over 46,000 homes were proposed as follows:

Component of housing supply	Total homes from housing supply (2019-2039)
Homes already under construction	5,372
Unimplemented planning permissions	5,482
Large sites outside of Purley Way and Croydon	4,113
Opportunity Area	
Sites in Croydon Opportunity Area	9,799
Small sites (windfall)	12,069
Total (excluding Purley Way)	36,835
Sites on Purley Way	A minimum of 3,685, up to 9,000
<u>Total (with Purley Way)</u>	At least 40,519, up to 45,835

Summary of implications for the Croydon Local Plan review

As can be seen, even without any development on the Purley Way (including that already proposed in the Croydon Local Plan 2018), it is likely that the new London Plan's housing requirement would be met in Croydon. This is also with a small sites rate that is actually slightly lower than the new London Plan's.

Furthermore, the effect of the change to paragraph 0.0.21 makes the overall borough target in Policy H1 a minimum as well. This means that the small sites element of our housing target cannot be substituted by an increase in development on larger sites in the borough. It is a fixed minimum that we will have to plan for in the Croydon Local Plan review. Hence, we cannot use increased housing delivery in the town centre and along Purley Way to reduce the amount of development in the suburbs.

However, the small sites target is not substantially different from what we already have in the Croydon Local Plan 2018, the delivery of which is supported by SPD2 – Suburban Design Guide. The ethos of SPD2 is essentially to support the evolution of the suburbs. This is essentially the same as the change directed by the Secretary of State on the new London Plan that "*Gentle densification should be actively encouraged by Boroughs in low- and mid- density locations to achieve a change in densities in the most appropriate way.*" As such SPD2 can continue to support the future Local Plan review in Croydon to help meet the new London Plan's target for development on small sites without a substantial change in approach.

The Secretary of State's direction to amend the new London Plan to encourage the expansion of existing clusters of high-density buildings may also be applicable in Croydon. The approach could be particularly applicable in some locations which typically have homes on larger plots immediately adjacent to a higher density location (as can be found in some of the borough's town centres, and along some main roads in the borough).

Adherence to the evolution of the suburbs approach set out in SPD2 coupled with the application of the Secretary of State's directed change to expand clusters of existing high-density buildings should mean that the draft London Plan small sites target is met. At the same time some of the pressure on the borough's suburbs might be reduced, particularly those areas which have very poor public transport accessibility, and there would be no need to support significant 'intensification' away from District and local Centres.

As the overall borough target is in effect a minimum, we can look to explore further the capacity of the borough's existing infrastructure to service growth. It would make a powerful case if we could say that we can deliver the new London Plan housing target, but if you (The Mayor) invest in our infrastructure we can deliver a third more homes. This is being explored through the Purley Way Masterplan commission, and a Corridors Transport study.

Summary

In conclusion, it is likely that we will need to plan for a minimum of circa 33,500 new homes over the next 20 years, with around 12,000 of those delivered through the "gentle densification" of the suburbs. The transformation of the Purley Way industrial and retail parks could not be included within this minimum target and would not allow for reductions elsewhere. Given the opportunities for 'good growth' providing many benefits to the local residents and the borough as a whole we should though include these additional, much needed, homes.

Currently Proposed Direction of Travel for the Partial Review of Croydon's Local Plan

In response to the consultation on the issues and options, and given the directions on the new London Plan from the Government we can identify the following significant 'directions of travel'. These will help inform a series of cross-party workshops that will help to develop our 'preferences and options' for the next stage of the CLP consultation.

We are considering:

• Recognising that following the Government's intervention it is anticipated that the new London Plan will increase our housing targets by an equivalent of c.6,900 new homes overall and will require a significant proportion of those to be delivered through the intensification of our suburbs.

• Accepting that we cannot meet the full housing need for the borough over the next 20 years which would require circa 70,000 new homes. This would be unachievable without substantial transformation (demolition and redevelopment) and expansion of the built area. We can though exceed the new London Plan target through the transformation of the Purley Way industrial and retail parks with limited impact on existing residents.

• Supporting a Specific Strategic Spatial Option – we proposed 3 strategic options for accommodating 46,000 new homes. These were:

• Option 1 – Growth distributed across all neighbourhoods in the borough requiring quite significant change in some suburban areas (a lot more than is currently being delivered)

 \circ Option 2 – Transformation of the Purley Way industrial and retail parks into a high density, mixed use new 'quarter' well connected into the town centre. This approach would take the pressure off the suburbs, although still assumes approximately 600 new homes in these areas per year.

• Option 3 – Release of a limited amount of green belt for new homes. This approach would also reduce the impact on suburban neighbourhoods.

We will be moving forward with a variant of Option 2. This was our preferred approach although we could not express this in the consultation, and it was clearly the most strongly supported by local residents.

The situation with the new London Plan does alter the scenario somewhat. Option 1 falls away as we anticipate having to deliver a minimum of 33,500 homes excluding those along Purley Way. The Government will not allow development along Purley Way to offset their "gentle densification" in the suburbs.

There was a clear preference against releasing green belt as way of reducing the amount of intensification in existing residential neighbourhood.

Our preferred option going forward would be meeting the new London Plan housing target plus an additional 4,000 to 9,000 homes on the Purley Way, creating a range of 37,500 to 42,500.

• Building New Homes in the Suburbs (Suburban intensification on 'Windfall' sites) - as directed by the government we are required to plan for the "gentle densification" of the suburbs with an average 641 new homes per year.

• Confirmation that no residential development is proposed on any of our Green Belt or Metropolitan Open Land (essentially the same thing). Only important public social infrastructure will be considered for location on green belt land where there is no suitable alternative sites. This in particular relates to schools where a lot of open space is needed to provide play grounds and sports pitches.

• Confirmation that all our parks and designated public spaces will remain protected from development.

 Definition of the very misleading government designation of 'local green space' (LGS) as 'very special community local green space' to help avoid further confusion. (Note: Local green space designation allows local communities to protect green spaces of local importance for reasons including setting and nature conservation. Local communities can identify green spaces through their local and neighbourhood plans, which will then receive protection equivalent to green belt land.)

• Identify whether the circa 40 'very special community local green spaces' which the council are working with local communities to determine whether they meet the very demanding government criteria to achieve formal Local Green Space designation.

• Publish maps illustrating all of the protected open land in the borough.

• Focused Intensification Areas (FIA): Reconsidering the current Intensification Areas and the introduction of additional areas including the following potential options.

• Omitting the Shirley FIA as it looks increasingly unlikely that significant improvements to the public transport capacity in the Shirley area will be delivered over the period covered by the local plan and hence the area only has capacity for limited future growth. The limited development potential significantly reduces the strength of the argument for major transport investment, although improvements are needed from a sustainability perspective.

• Reducing the size of the Kenley FIA to just the area immediately around the railway station. This is in response to the findings of the Kenley transportation study carried out by the Council.

 Introducing carefully considered urban extension areas around parts of Purley and Coulsdon town centres, and link them with a new FIA running along parts of the Brighton Road A23 corridor. These areas have good public transport provision. This approach is encouraged by the Government's response to the new London Plan.

• Explore the level of development potential of all existing suburban residential areas in the categories to include:

• Very low levels of development – conservation and local heritage areas, existing medium density areas such as those with predominantly terraced or modest sized semi-

detached houses, modern housing estates with small plots, and areas with poor access to public transport and limited capacity for parking.

 \circ Moderate levels of development – low density areas that are close to public transport and/or other local amenities (typically within 800m of a district centre or railway station).

• High levels of development and transformation to be limited to the main town centres, Purley Way retail and industrial areas, and areas very close to good levels of public transport and/or other local amenities.

• Develop a strongly defined and protected 'green grid' across the borough linking the countryside to south through to the parks, allotments and gardens in the north.

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