

*Sustainable communities and the Growth Areas:
who are we building these houses for?*
(IPPR research project, 2005)

Comments by CPRE London

June 2005

Introduction

1. CPRE London is the London Branch of the Campaign to Protect Rural England. We very much welcome the opportunity to contribute to the debate on how to meet housing needs in the Growth Areas. We take a particular interest in the Thames Gateway, which we see as offering an unprecedented opportunity to provide for a substantial proportion of housing needs across south-eastern England, whilst minimising the need for greenfield development and improving the urban and rural environment. In June 2004, we published *Thames Gateway - Making Progress*, which addressed a range of barriers to reclaiming urban brownfield land and increasing the provision of new housing. In March 2005, we submitted a substantial and wide-ranging report to the Government by way of a contribution towards its 'strategy' for the Thames Gateway: *Building Sustainable Communities: Delivering in the Thames Gateway*. The comments below draw on those reports. Despite focusing on the Thames Gateway, many of the principles that this paper addresses are also relevant to the other three growth Areas.

2. Each year, there is a net movement of some 100,000 people leaving London to live elsewhere in south-eastern England. That outflow generates very considerable development pressure and places considerable demand on infrastructure in the south-east, including public services and transport networks. CPRE is keen to see that as much of that demand as reasonably possible is met through the new housing that is planned on urban brownfield sites in the Thames Gateway and we agree with IPPR that that will require a careful assessment of the kind of housing that is built, so as to ensure that what gets built is indeed what is required.

3. The IPPR project proposal raises a number of issues that are common to various of the 'key research questions'. This paper therefore addresses those issues on a 'theme-by-theme' basis and each theme will be relevant to more than one 'key research question'.

Providing the right mix of housing

4. In meeting housing needs, there are at least three issues that require consideration in planning for the appropriate mix of housing. Firstly, an important objective for the growth and regeneration of the Thames Gateway should be to bring about an improvement in the economic fortunes of the area and therefore the employment prospects of its residents. One factor which may be acting as a brake on the growth and development of the Thames Gateway's economy is the shortage of housing which is attractive to senior managers and higher-skilled employees in white-collar industries. A second area of concern is to provide for the needs of the large numbers of people - typically families with young children - who leave London in search of a better place to live or more suitable housing. And, thirdly, as Government policy now seems to recognise, there is a need to prevent large areas from becoming dominated by low-income households.

5. An appropriate mix would therefore include an appropriate amount of ‘middle class’ housing and would also include an appropriate level of family housing with gardens. In some areas, the market is quite capable of providing such housing in more than sufficient numbers, but this is not necessarily the case in urban areas, especially in East London, where the market appears to favour an excess of 2-bedroomed flats.

6. Various high level policy statements occasionally touch on the question of the mix of housing that needs to be provided, and may make reference to the points made above. However, those statements have not yet necessarily been translated into policy within local development frameworks (or regional spatial strategies) and do not therefore appear to influence the generality of development.

7. **Key worker housing** - With regard to subsidised affordable housing, CPRE’s principal concern is that there should be adequate subsidised provision of key worker housing in order to maintain the quality of public services. Despite a recent significant increase in public funding, it is still widely accepted that, nationally, there is a significant shortfall in the provision of social housing compared to the level of need and a significant shortfall in the funding available¹. Returning to the question of family housing, there is a danger that, if key worker housing provision does not include sufficient family housing, those who benefit from it may be forced to leave the Thames Gateway area altogether when they have children. The Housing Corporation is apparently aware of the potential perverse effect of crude numerical housing targets whereby the provision of smaller units is encouraged to the exclusion of larger, family units.

8. **Research needs** - ‘Key research question’ 3 refers to meeting the aspirations of ‘*those people that are expected to live in the growth areas*’. This raises an important and fundamental question: who are those people and what are their housing needs? In the Thames Gateway, only 20% of the 120,000 anticipated additional dwellings are apparently needed to meet internally generated housing needs up to 2016². CPRE, however, is not aware that any research has been undertaken to assess the range of needs among the remaining 80%, nor any clear assessment of where they may come to the Thames Gateway from. Clearly, unless the mix is determined in advance by policy objectives, the range of needs that it provides for will naturally be very largely determined by what is made available (presumably according to the preferences of the market). We propose that such an approach is likely to be at odds with what appears to be the IPPR’s starting point for this research: that the mix of housing should be determined in advance in order to meet a range of identified needs.

9. **Policy needs** - PPG3 (*Housing*) is currently undergoing piecemeal revision and Government consultation papers make several references to the policy objective of meeting housing ‘demand’ as opposed to meeting housing ‘need’. There is an important difference between ‘demand’ and ‘need’, the former requiring a very much higher number of new dwellings than the latter. A focus on demand rather than need is likely to undermine wider policy objectives such as urban regeneration and countryside protection, and blunt the effectiveness of planning policy aimed at restraining supply for public interest reasons (e.g. environmental quality or flood risk). The key issue is that, if housing policy is driven

¹ For example, *Building for the Future - 2004 Update. A Report of the Shelter Housing Investment Project*. Shelter, March 2004; and *Review of Housing Supply: Delivering Stability: Securing our Future Housing Needs. Final Report - Recommendations*. March 2004.

² *Relationship Between Transport and Development in the Thames Gateway*. Llewellyn-Davies, 2003.

principally by demand, then it becomes unlikely that the full range of housing needs will be provided for.

10. Recommendations

LPAs, RPBs and the Mayor of London should:

- **make a quantified assessment of the range of housing needs to be met in the Thames Gateway;**
- **ensure that planning policy documents include strong policies that will ensure that an appropriate mix of housing is provided where the market will not provide that mix automatically;**
- **ensure that all major developments are subject to masterplans and that those masterplan make provision for an appropriate mix of housing types;**
- **acknowledge that sufficient affordable key worker housing should be made available in the Thames Gateway to meet the staffing needs of frontline public services; and**
- **establish indicative costed targets for the number of dwellings that are to be provided for key workers in the Thames Gateway at sub-market prices for rent and part-sale over the period of the RSS for each sub-region, including the proportion that should be suitable for families with children.**

The Government should ensure that any revisions to PPG3 are cast in terms of meeting housing *needs* rather than *demand*.

Maximising overall provision

11. Clearly, any measure which increases the supply of housing has the potential to help meet particular housing needs. CPRE is keen to ensure that the maximum amount of new housing is built in the Thames Gateway commensurate with avoiding greenfield development and avoiding overloading transport infrastructure and public services. There are two key dimensions to maximising the overall provision of housing: maximising the rate at which urban brownfield land is reclaimed and made available for redevelopment; and optimising the density at which new housing is built. Our June 2004 report *Thames Gateway - Making Progress* addressed these issues in some detail.

12. ***Land reclamation*** - Perhaps the key issue is the need for a strategy to be put in place to ensure that the rate of brownfield land reclamation is maximised. Many brownfield sites in the Thames Gateway present significant obstacles to their redevelopment. A clear 'brownfield land reclamation strategy', linked to the growth rates anticipated in RSS and the London Plan, would help in this regard and would help identify any shortcomings in the likely rate at which brownfield land is likely to be brought forward.

13. Recommendations

English Partnerships, in collaboration with the RDAs, should produce a clear brownfield land reclamation strategy for the Thames Gateway, setting out:

- **the rate - in terms of hectares per year - at which sites need to be brought back into use, both at the ‘strategic’ level and in respect of each local authority of UDC/LDV area;**
- **the likely costs of doing so, together with identified sources of funding (at a strategic and local level);**
- **the location of the sites requiring reclamation, highlighting the priority sites (this will probably need frequent updating);**
- **the agencies that will take responsibility for bringing forward each site; and**
- **the major obstacles to bringing forward each site, together with a range of measures required to overcome those obstacles.**

Such a strategy is likely to draw on the issues and initiatives identified in the National Brownfield Strategy and the RDAs’ subsequent Brownfield Land Action Plans³. Consistent with the capacity-based approach to development, RPBs should ensure that the strategy is capable of delivering sufficient urban brownfield land suitable for development to accommodate housebuilding targets. If it does not, then either the targets should be reduced or additional financial resources sought.

14. *Residential density* - The Government and the Mayor of London appear to have accepted the benefits that raising urban residential densities bring: increased viability of public services, local retail facilities and public transport; reduced need to travel by car, and less need for additional public investment in infrastructure. The London School of Economics highlights the economic benefits of raising residential densities, estimating that development at ‘sufficient density’ creates 300 service jobs per 1,000 homes⁴. Contrary to popular belief, there are numerous examples of housing developments in London built at around 90 dwellings per hectare net. (the current average is now 71 dph net.) in which 75% are family units with gardens. These are modern equivalents of the highly desirable four storey Georgian and Victorian streets and squares and provide for the full range of housing needs in a high quality environment whilst making efficient use of land.

15. However, because the Government’s ‘mid-term growth scenario’ of 120,000 additional dwellings was based essentially on (then) current and planned transport infrastructure capacity limits rather than on the likely availability of land, it is highly unlikely that that figure represents the true capacity of the Thames Gateway to accommodate new housing in urban areas. There is therefore a danger that the 120,000 figure will be translated into less than optimal density requirements on a site-by-site basis. This may substantially undermine the benefits outlined above and compromise the scope for further growth beyond 2016. The 2004 Interregional Planning Statement recognises this issue:

³ *Sustainable Communities: Building for the future*. ODPM, February 2003. Paragraph 4.6

⁴ *A framework for housing in the London Thames Gateway*. LSE Housing, CASE and Enterprise LSE Cities. December 2004. Vol. 1, page 37.

*'There is a risk, especially in the western and mid parts of the Gateway, that too much land may be released to low density uses and thereby obstruct the potential for uses generating more jobs and wider economic benefit or for release of that land to residential use.'*⁵

16. *The Town and Country Planning (Residential Density) (London and South East England) Direction 2002* (the 'Density Direction') commits the Secretary of State to intervening in planning applications for housing on sites greater than one hectare that involve a density of less than 30 dph (net). That was set against a national average (2002) of 27 dph (now 33 dph). In its response to the Select Committee report⁶, the Government states that it:

'does not rule out extending the geographical scope of the Direction, raising the notification threshold from 30dph or applying it to sites smaller than one hectare'.

17. In the Thames Gateway, because the focus is on urban regeneration, a significant proportion of new housing is likely to be brought forward on sites of less than 1 hectare. In the whole of London, for example, some 50-60% of housing is expected to be built on sites less than 0.5 hectares⁷. Overlooking the importance of securing appropriately high densities on small sites may therefore very significantly undermine the delivery of housing numbers and this could justify a review of the Density Direction. We welcome the Government's recent announcement that it intends to extend the Direction to a wider area⁸. Nevertheless, because of the focus in the Thames Gateway being exclusively on previously developed urban sites, any revision of the Density Direction should make it more geographically specific and set a much higher threshold either for urban areas generally or for the Thames Gateway specifically.

18. **Recommendations**

RPBs and the Mayor of London should adopt an average density of 90 dph (net)⁹ and a minimum density of 80 dph (net) for new housing in urban areas throughout the Thames Gateway. The figures could be somewhat higher for London.

The Government should review the 2003 Density Direction with a view to raising the intervention threshold in the Thames Gateway. We recommend that that threshold should be set at 80 dph (net).

Community infrastructure

19. 'Key research question' 5 raises the question of the need to ensure the social and economic viability of the Growth Areas and the 'Aims and Objectives' refer to the question of providing local services and employment opportunities. A crucial component of achieving

⁵ *Growth and regeneration in the Thames Gateway. Interregional Planning Statement by the Thames Gateway Regional Planning Bodies.* Mayor of London, East of England Regional Assembly and South East England Regional Assembly, August 2004. **Paragraph 2.8.**

⁶ Government response (July 2003) to ODPM Select Committee Report on Planning for Sustainable Communities: Sustainable Communities in the South East. Response to Recommendation (s).

⁷ *Pers.comm.* Mr Giles Dolphin, GLA, March 2004.

⁸ *The Town And Country Planning (Residential Density) (London, South East England, South West England, East Of England And Northamptonshire) Direction 2005* 1. January 2005.

⁹ Average residential density of new housing in London in 2003 was 71 dph (net).

that, securing the long term attractiveness of the Thames Gateway, and avoiding the waste of land caused by car-dependency, is that new housing is not provided through large, monolithic housing estates with no amenities, that engender no sense of community, have no amenities and facilities and have no sense of place. Such an approach would be inconsistent with the Government's objective of improving 'liveability' in urban areas as set out, for example, in *Living Places: Powers Rights, Responsibilities*¹⁰ and its approach to 'sustainable communities'.

20. Helpfully, through the Communities Plan, the Government has stated that its response to the challenge of sustainable growth is to:

*'address public services and infrastructure needs to enable the new communities to function.'*¹¹

and the Government's Thames Gateway 'strategy' (the 'Strategy') identifies one of the Government's key objectives as being:

'to ensure that infrastructure and local services are in place when the community needs them'

21. The London Development Agency (LDA) has produced a 'development and investment framework' which sets out requirements in respect of community infrastructure provision. It is estimated that the regeneration of the London part of the Thames Gateway will require fifty-five new primary schools, ten new secondary schools, nine new leisure centres and six new playing fields. This exercise should be helpful, not only in helping to identify the costs involved, but also in maintaining a strategic overview of the delivery of the required developments over time.

22. The Prime Minister has acknowledged the importance of ensuring that the Thames Gateway's redevelopment constitutes a step change in the way that towns and cities are planned, including in respect of local amenities:

*'The new developments proposed in specific parts of the south east including the Thames Gateway represent a huge opportunity for us to show what can be achieved in terms of modern, smart, 21st century, sustainable living: not just in terms of reduced energy use, but also through better waste management, sustainable transport and availability of quality local parks and amenities.'*¹²

and the Government has made it clear that:

*'The communities plan sets out that growth areas must not be dormitories; they must be communities. That also depends on providing good quality community infrastructure.'*¹³

23. Key to ensuring that communities in the Thames Gateway are provided with the local amenities that they require will be to ensure that adequate provision is made for them in

¹⁰ DEFRA, February 2003.

¹¹ Sustainable Communities: building for the future. ODPM, February 2003. Chapter 5.

¹² The Prime Minister, the Rt.Hon. Tony Blair MP speaking on climate change on September 14th, 2004.

¹³ Yvette Cooper MP, Parliamentary Under-Secretary of State at ODPM, *Official Report*, 22 October 2003, Col. 760.

masterplans. Potentially in support of such an approach, the Department for Transport has completed eight accessibility planning indicator pilots¹⁴. Six core accessibility indicators have been agreed, which include access to education and health care (two indicators each) and access to jobs and major retail centres. Most English Local Transport Authorities (LTA) outside London are required to report against these indicators as part of their next Local Transport Plan (LTP), and a number of the minority whose CPA performance exempts them from this continue to do so too. However, CPRE has been unable to identify any evidence that LTAs are aware of the existence of these indicators and we therefore assume that this initiative has been delayed or re-scheduled.

24. Recommendations

RPBs, the Mayor of London and LPAs should:

- **confirm that ready access to local public services and amenities is a crucial element of creating successful places consistent with the approach to planning advocated within the Communities Plan;**
- **establish standards, which should be established in planning policies, should be established for the proximity of all major housing developments to community infrastructure, including schools, hospitals, GP surgeries, libraries, sports and leisure facilities, and green open space; and**
- **confirm that LPAs and LDVs are encouraged to ensure that masterplanning is undertaken for all major development in the Thames Gateway, and that the masterplans make adequate provision for community infrastructure.**

The two RPBs should undertake an exercise similar to that undertaken in London to identify the required additional provision in respect of local services and other community infrastructure for the Kent and Essex parts of the Thames Gateway. Provision for the necessary developments should then be made in development plans and masterplans and monitored through the RSS monitoring process.

The Government should re-confirm its commitment to the accessibility planning indicators and targets.

Delivering employment opportunities

25. Economic regeneration and increasing the number and variety of employment opportunities is a crucial element of the Thames Gateway's social and environmental regeneration. Indeed, housing growth and urban regeneration on the scale envisaged in the Communities Plan may not be achieved without it. The 2004 Interregional Planning Statement, for example, states that:

*'The capacity of the Gateway will only be fully realised if new investors and residents can be attracted to it in very large numbers.'*¹⁵

¹⁴ Official Report, 22 July 2004 : Column 553W. Question number 185820.

¹⁵ *Growth and regeneration in the Thames Gateway. Interregional Planning Statement by the Thames Gateway Regional Planning Bodies.* Mayor of London, East of England Regional Assembly and South East England Regional Assembly, August 2004. **Paragraph 5.5.**

26. Waiting for the market for new employment-related development to offer absolute certainty before suitable business accommodation is provided may not result in sufficient accommodation coming forward soon enough to maintain a balance between population growth and job growth. For example, in 2001, the DETR Thames Gateway Review noted that 42% of the proposed new housing, but only 16% of the proposed employment floorspace had been built¹⁶.

27. Economic growth and therefore employment opportunities may be constrained by the unwillingness of private sector investors to take a lead by providing suitable premises for new employers in the area. According to the ODPM's research¹⁷, the planned capacity of transport infrastructure will not be sufficient to accommodate the Government's target population growth in the Thames Gateway unless new employment opportunities are created close to residential areas. Moreover, the concept of sustainable communities requires mixed use development that facilitates access to employment opportunities within convenient reach of residential areas without needing to use a car, and preferably on foot.

28. Clearly, the housebuilding programme should be complemented by a strategy for creating new jobs in the Thames Gateway and we therefore welcome the Government's commitment, given in the Strategy, to:

'publish a Thames Gateway economic statement which brings together the work of the three Regional Development Agencies, Learning and Skills councils and local authorities and identifies areas for further action by December 2005.'

29. The Strategy acknowledges that:

'A measure of our success in regenerating the Thames Gateway will be the extent to which it attracts private investment.'

CPRE agrees, but it is disappointing that the Strategy makes no commitment to measuring the extent to which that private investment is attracted.

30. **Recommendations**

The Government should, in collaboration with RDAs and the sub-regional partnerships, undertake to publish an employment and business growth strategy for the Thames Gateway, consistent with the policies in RSSs and the regeneration frameworks of LDVs in each sub-region, in order to reduce commuting into central London and to create more economically sustainable communities in the long term. The forthcoming *Thames Gateway economic statement* may, at least in part, perform that role. That strategy should incorporate a number of appropriate indicators, including the increase in employment rates and private investment in the Thames Gateway over time.

The employment and business growth strategy should advocate a pro-active and speculative approach by the public sector, possibly in partnership with the

¹⁶ *Thames Gateway Review: Final Report*. DETR, January 2001. Page 26.

¹⁷ *Relationship Between Transport and Development in the Thames Gateway*. Llewellyn-Davies, 2003.

private sector, so as to ensure that high quality new business accommodation is made available in appropriate key locations at an early stage (i.e. at an early stage in the provision of new housing in the area). The approach should be one of market-creation rather than market-following. The Government (ODPM/DTI) should be more forceful in encouraging delivery agencies to do this. It should resource them to do so, including through underwriting loans necessary to fund suitable speculative development, and adopt a strategy for bringing premises forward in a co-ordinated and managed way across the Thames Gateway; and

The employment and business growth strategy should recognise the significance of the following issues in promoting the economy of the Thames Gateway and indicate how they are each being addressed:

- the need to improve the educational attainment and skills base among the local population;
- the need to improve the appearance and management of town centres;
- the need to improve the landscape quality in the Thames Gateway, including through ‘undergrounding overhead power lines’;
- the need to promote the cultural identity of the Thames Gateway;
- the need to provide new housing that is attractive to higher income earners; and
- the need to improve the management of business parks and other employment areas.

Some of these issues are addressed elsewhere in this report or in the 2001 report by the Thames Gateway London Partnership *Heroic Change*¹⁸.

Through its programme of re-locating civil service jobs out of central London, the Government should consider re-locating a proportion of those jobs to appropriate sites in the Thames Gateway.

Environmental sustainability

31. A key element of environmental sustainability is encouraging the re-use of previously developed urban land and avoiding unnecessary encroachment into the countryside, with the associated development and transport requirements that that generates. Despite the relative abundance of vacant urban brownfield land, the Thames Gateway area is predominantly rural and much of it is within the Green Belt. Protecting urban green space and the setting of the waterways – and reducing the legacy of vacant and derelict urban sites – will be a crucial part of maintaining and improving general quality of life in the Thames Gateway, creating a place where people will wish to live and work, and therefore promoting the area’s economic fortunes.

32. There is considerable pressure to deliver new housing in the Thames Gateway as quickly as possible. Indeed, there are potentially benefits to be had from quick delivery because the sooner new housing can be provided on urban brownfield sites in the Thames

¹⁸ *Heroic Change: Securing Environmental Quality in the Thames Gateway London*. TGLP, 2001.

Gateway, the sooner the need for housebuilding in less appropriate locations will diminish and the sooner the quality of the urban environment can be improved.

33. However, the pressure to deliver quickly inevitably translates into pressure to build on convenient greenfield sites that are not subject to the complications of some urban brownfield sites. Moreover, in view of the costs to the public purse that large scale housebuilding incurs (including infrastructure costs and land remediation as well as subsidising social housing), there must be a temptation to seek to tap the profits of greenfield development in order to help meet those public sector costs. The Government's insistence that the entirety of the Green Belt land in Thurrock should be included within the area of the Thurrock UDC, and the references in the Thurrock UDC consultation document to allowing greenfield development that 'enables' regeneration, may give the impression that this is the Government's intention. CPRE does not accept that it is necessary or acceptable to allow urban sprawl in order to help fund urban regeneration.

34. Each housing development that is allowed on a greenfield site in the Thames Gateway constitutes a lost opportunity to repair the fabric of the existing urban areas. A moratorium on greenfield development has been shown to be a realistic and effective driver of urban regeneration in other parts of the UK (e.g. the North West) and should be applied in the Thames Gateway. There is also a need to protect ecological, historic and other environmental interest on some brownfield sites, however. Such sites can be a key attraction of urban areas, underpinning the quality of life of residents and employees.

35. In the longer term, the Government intends to revitalise housing markets in England's northern cities. CPRE supports that basic objective because it is consistent with the objective of focusing development in areas which have the greatest concentrations of vacant urban brownfield land. If the Government's strategy were to be successful, it would be appropriate to assume that the current level of demand for housing in south-eastern England will be reduced in due course as the northern cities begin to present a more attractive alternative. That being the case, planning authorities and the Government should strongly resist claims that greenfield land needs to be released against the sequential approach on the assumption that it will 'eventually' become necessary.

36. CPRE does not accept that any need has been demonstrated for housing (or economic development) on greenfield sites outside urban areas in the Thames Gateway at least for the remainder of the Communities Plan period (up to 2016). In order to avoid the unnecessary release of greenfield sites, it is crucial that the fundamental principles of the sequential approach and a capacity-led approach are held to the forefront of planning policy.

37. In view of the Mayor of London's ambition to provide 120,000 new dwellings on brownfield land in East London, meeting the Government's objective of 120,000 dwellings throughout the Thames Gateway should not require the use of any greenfield land. Indeed, the Minister for Housing and Planning, the Rt.Hon. Keith Hill MP, acknowledges that:

*'At an average density of 40 dwellings per hectare, there is more than enough brownfield land in the Gateway to accommodate the housing growth targets that the Government propose.'*¹⁹

¹⁹ Official Report, 15th November 2004, Column 1075-1076.

38. Notwithstanding that 40 dwellings per hectare is far too low an average density to be acceptable across the Thames Gateway, this statement makes it clear that the Government considers that a target of 100% of new development in the Thames Gateway to be on urban brownfield land is feasible up to and well beyond 2016.

39. Helpfully, the Strategy identifies one of the Government's key principles as:

'to return derelict and contaminated brownfield land to productive use.'

40. However, it also establishes a minimum target that *'at least 80% of new homes'* in the Thames Gateway should be built on previously developed land. This seems an unreasonably low figure in view of the confirmation elsewhere in that document that *'this proportion has been steadily increasing year on year'* and reached 85% in 2003. The Government's minimum target appears therefore to be a step backwards.

41. **Recommendation**

The Mayor of London and the RPBs should adopt a sub-regional target that 100% of all new development throughout their respective parts of the Thames Gateway should take place on urban brownfield land, at least until the end of the initial Communities Plan period (2016). In the meantime, LPAs and Government Regional Offices should support the sequential approach by strongly resisting any applications on greenfield land in the Thames Gateway, irrespective of whether greenfield sites are identified in development plans. LPAs should ensure that development plan reviews support sequential testing of allocated sites.

CPRE London
June 2005