

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3219

Large-Scale Purpose-Built Shared Living London Plan Guidance Document

Executive summary:

This Mayoral Decision seeks the Mayor's agreement to the adoption of the London Plan Guidance on large-scale purpose-built shared living. This provides additional guidance relevant to the implementation of Policy H16 in the London Plan.

Decision:

That the Mayor approves the large-scale purpose-built shared living London Plan Guidance documents for adoption as further guidance to the London Plan 2021, taking into account the accompanying Equality Impact Assessment and consultation summary report.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

26/2/24

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The London Plan 2021 was published on 2 March 2021, giving full statutory weight to the Spatial Development Strategy as part of the Development Plan for all London planning authorities. Following its publication, a suite of new guidance is being developed, providing additional detail on how specific policies in the Plan should be applied to planning applications and boroughs' local plans.
- 1.2. The guidance document referred to in this Mayoral Decision (MD) (Appendix 1) has been drafted by the London Plan team and will be added to the suite of London Plan Guidance (LPG) documents adopted since the publication of the London Plan 2021. Previous LPGs were adopted by the Mayor in September 2021 (MD2861 – which included further background on the LPG programme and the approach being taken), March 2022 (MD2962), October 2022 (MD3021), December 2022 (MD3050) and May 2023 (MD3090).
- 1.3. The LPG has no specific statutory weight, and cannot create or change London Plan policies. However, it may be a material planning consideration; adds further, more detailed guidance as to implementation of the London Plan; and assists in achieving key objectives in practice.

2. Objectives and expected outcomes

- 2.1. The objective of this LPG is to provide detailed guidance to complement and support the implementation of Policy H16: Large-Scale Purpose-Built Shared Living (LSPBSL) within the London Plan 2021, as well as the Good Growth objectives relating to housing quality and inclusion set out in the Plan. It should facilitate improved clarity and faster decision-making by ensuring a consistent and shared understanding of policy requirements across local planning authorities (LPAs) and all stakeholders – including developers and their agents, and the local community. The guidance should also enable the positive shaping of design and management of such schemes to best achieve objectives, informed by good practice. The adoption and implementation of the LPG will therefore contribute to the aims set out in the Greater London Authority Act 1999 (the GLA Act), particularly in relation to achieving sustainable development.
- 2.2. London Plan Policy H16 was first introduced in the 2017 draft London Plan in response to developer interest in building a new type of 'co-living' housing development. The policy aims to help define key aspects of LSPBSL in the context of the London Plan; and shape the design and management of new LSPBSL developments to ensure they support the delivery of Good Growth, at both the neighbourhood level and also in terms of the quality and inclusivity of accommodation provided. The LPG helps to reinforce this in the design guidance it provides, as well as sections on planning for mixed and inclusive communities, addressing issues such as the potential over-concentration of LSPBL and similar accommodation to the detriment of other housing provision and wider community needs.

3. Equality comments

- 3.1. The Mayor and the GLA are subject to the public sector equality duty, as set out in section 149 of the Equality Act 2010. The London Plan, and its policies, plan for growth on the basis of its potential to: improve the health and quality of life of all Londoners; reduce inequalities; and make the city a better place to live, work and visit. It uses the opportunities of a growing and changing city to plan for a better future, and for planning decisions to be focused on improving London, transforming the city over time. It plans not just for growth, but for Good Growth: sustainable growth that works for everyone.
- 3.2. Objective GG1 of the London Plan – building strong and inclusive communities – makes it clear that Good Growth is inclusive growth. This objective underpins the policies in the Plan, which will

help to address inequality in a broad range of ways. The London Plan 2021 was subject to an iterative Integrated Impact Assessment process, including an Equality Impact Assessment (EqIA), and this assessed the impact of the policies within the Plan on which the LPG in this report provides further guidance. This has been supplemented by an EqIA specific to the LPG, recognising that the application of the detail can give rise to additional, exacerbated or mitigated impacts that need to be taken into consideration in having due regard to the Public Sector Equality Duty.

- 3.3. This EqIA was published as one of the documents for comment as part of the consultation exercise undertaken. Consideration of the equality impacts through this process has led to changes to the wording of the LPG – in particular, to remove the single-occupancy requirement and references to design being affected by a target demographic; and to insert reference to marketing that raises awareness of inclusive design features.
- 3.4. The associated EqIA was also updated following revisions to the draft LPG, post-consultation. This update showed positive impacts for most groups through a variety of mechanisms. These notably include guidance advising of inclusive design and management plan features; advice on managing housing mix at the neighbourhood level; encouragement of the inclusion of facilities and public realm improvements of benefit to the wider public; and appropriate consideration and mitigation of infrastructure impacts. The EqIA is included in Appendix 2.
- 3.5. The Mayor should have regard to the contents of this EqIA report in deciding whether to agree the recommendations in this report.

4. Other considerations

Risks and issues

- 4.1. Care has been taken to ensure that the guidance contained in the LPG: does not create or amend policies contained within the London Plan 2021; and falls within the legal powers, and follows a considered process, used to produce such guidance. This document does not purport to be a statutory Local Development Document within the meaning of the Planning and Compulsory Purchase Act 2004; or Supplementary Planning Documents developed in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012. This will mitigate the risk of any legal challenge to the LPG documents following adoption.
- 4.2. Historically, the issuing of Supplementary Planning Guidance has not always been as successful as envisaged, due to the length of the documents and a lack of focus on how their requirements should be implemented in the planning system. To mitigate this risk, the LPG documents aim to be clear and direct, without unnecessary related information. This LPG document clearly sets out, at the start, the types of planning applications it should be applied to and how it relates to boroughs' development plan documents (as relevant). The relevant London Plan policy, and who the guidance is for, are also explained at the start of the document.
- 4.3. While the London Plan 2021 was developed and subject to examination in public prior to the Mayor's target for London to be carbon-neutral by 2030 was established, it remains a sound spatial development strategy for London and part of the statutory development plan for Greater London. Furthermore, the provisions that implement the spatial aspects of the Mayor's Transport Strategy, as required by subsection 334(4)(a) of the GLA Act, remain up to date and highly relevant in addressing the challenges of climate change and tackling damaging air quality.

Conflicts of interest

- 4.4. No one involved in the drafting or clearance of this form, or the preparation of the LPG, has any conflict of interest that might arise as a result of the adoption and implementation of the LPG.

Link to Mayoral strategies and priorities

- 4.5. As well as supporting implementation of the London Plan 2021, this LPG will support the priority of delivering high-quality homes and inclusive neighbourhoods as set out in the Mayor's Housing Strategy.

Consultation and impact assessments

- 4.6. Consultation was undertaken in accordance with section 32 of the GLA Act. This included a bespoke engagement process in order to realise Good Growth objective GG1 A, which requires early and inclusive engagement with stakeholders.
- 4.7. Consultation on the draft LPG was undertaken between 27 January and 27 March 2022. Three online events were held through the consultation period for Londoners to learn more about the draft LPG and ask questions. Through the consultation period there were 215 attendees to virtual events, 3,611 page views and 797 document downloads. Of the 33 consultation responses received, 16 came through the dedicated online consultation survey; two via both the survey and email; and 15 via email only. This is detailed in the consultation summary report attached at Appendix 3.
- 4.8. Whilst the consultation on the draft LPG was carried out in 2022, there was ongoing engagement with industry, developers and operators, as well as LPAs. Industry stakeholders subsequently continued to submit operational information from occupied LSPBSL developments. The GLA's planning and viability officers have reviewed many of the LSPBSL planning applications that have been determined by LPAs. In addition, a further discussion was held with LPA representatives in October 2023.
- 4.9. Consideration was given to whether a further re-consultation on a revised draft would add value to the guidance. However, given that there has been ongoing engagement with the key interested parties following the formal consultation period, this was considered unnecessary, having regard to the use of resources and stakeholder time. The follow-up engagement has enabled the iterative refinement of the document to best support policy objectives, and we consider that it appropriately addresses concerns. It is considered that finalising and adopting the guidance without further delay will help shape what LPAs have advised is an increasing number of LSPBSL schemes in preparation.

Engagement

- 4.10. Respondents representing LPAs were generally supportive of the draft guidance. However, they requested additional detail justifying the need for this type of housing; and additional guidance on how to determine if an LSPBSL development would contribute to creating mixed and balanced communities. They found the draft guidance insufficiently clear on ways to identify and manage potential concentrations of LSPBSL schemes within a neighbourhood or supply. A key concern was that this type of development would eventually be turned into substandard C3 accommodation, or could 'crowd out' mainstream accommodation (including affordable) for which there is a larger need.
- 4.11. During the consultation on the first draft, non-LPA respondents generally found the guidance overly prescriptive in its requirements for bedroom unit area sizes; indoor and outdoor communal areas; and the provision of kitchen and dining facilities. They requested changes to the standards set within the LPG to reflect operational realities. Another key concern was that the directive style of language being used throughout the draft LPG read like policy, as opposed to guidance, and could constrain design responsiveness to factors such as site specifics and scheme size.
- 4.12. Consultation responses also argued the view that the requirement for single-person occupancy should be removed. This argument was made for many reasons, including market realities; the practical ability to enforce the requirement; and the equalities impacts of excluding couples.
- 4.13. Since the consultation closed there have been ongoing informal discussions with developers and operators, as well as LPAs. A record of these is included in Appendix 3.

4.14. The table below outlines the key changes that have been made to the LPG in response to the consultation; subsequent analysis of LSBPSL development proposals; and ongoing conversations with LPAs and builders/operators, and as a result of the EqIA.

| Key area of change | Description | Rationale |
|--|--|---|
| Definition, design and management | Relaxation of single-occupancy requirement. Management plan section advises that a maximum resident number should be specified instead; and planning application submission information advises including a clear indication of which rooms should be considered 'double'. | <p>Larger rooms in operating LSPBSLs are already being let to couples. This requirement would be difficult to enforce and impacts on viability, as well as raising equalities concerns (indirect discrimination against married couples). By relaxing the single-occupancy requirement, and ensuring sufficient information on rooms intended for double occupancy, LPAs will be able to assess the viability of a scheme on this basis and secure increased contributions to affordable housing.</p> <p>A limit on the number of residents allowed to occupy a scheme will be identified in the management plan and included in the section 106 to provide certainty regarding the overall number of residents. This will help to ensure that small to medium-sized rooms are not let for dual occupancies; and ensure sufficient facilities, which is a key policy objective.</p> |
| Planning for LSPBSL Affordable housing | Additional guidance regarding locational suitability, and related mixed and inclusive community considerations. Greater detail in a new section on affordable housing expectations including how C3 affordable housing may be included in a scheme. | This responds to key concerns raised by LPAs regarding LSPBSL schemes relating to over-concentration in spatial and delivery terms; affordable housing need; and the importance of local knowledge in interpreting locational suitability. This aligns with the approach taken in the draft guidance proposed in the Purpose-Built Student Housing draft LPG, and Affordable Housing draft LPG, on which consultation recently took place. This is to ensure these similar types of housing products are treated with parity in the planning system. It also recognises that indicators such as PTALs should be used with care. |
| Design and facilities specifications | <p>Space and facilities standards/ requirements revised to be benchmarks. Quantums have been revised (in some cases downwards) to reflect updated evidence regarding design optimisation and to increase overall flexibility (e.g. some are on a sliding scale against the proposed number of residents).</p> <p>Increased flexibility in the allocation and distribution of communal space; and</p> | <p>Identification of recommended or indicative 'benchmarks', rather than 'minimum requirements', that are based on an up-to-date evidence base strengthens the guidance. It more appropriately reflects the language of guidance, as opposed to policy; and reduces risks that it may be applied mechanistically.</p> <p>Evidence (from officer site visits, resident surveys and data gathered from monitoring the use of communal spaces within operating LSPBSL) supports the position that the current delivery of shared amenity space (often lower than the five sqm per person set out in the draft LPG) can result in an over-provision of underused, low-value space for residents.</p> |

| | | |
|--|---|---|
| | <p>simplification and reduced prescription of communal facilities, bedroom, kitchen, and laundry equipment. Some detail deferred to management plan stage, when sufficiency of facilities should be demonstrated.</p> <p>The guidance now more clearly distinguishes between specific policy requirements for access to particular amenities and more general sufficiency/quality requirements, where guidance indicates what can help demonstrate policy compliance.</p> <p>Removal of example room layouts and increased guidance on quality and functionality considerations, including relating to accessibility and inclusion.</p> | <p>The argument that providing for a flat-rate area per person fails to consider economies of scale, and is impractical for assessing large developments, is sensible.</p> <p>The evidence submitted, both during the consultation and subsequently, demonstrated that the draft guidance failed to consider the different types of equipment that can be provided in kitchens and laundry facilities; and variation in design/operational approaches to the distribution of spaces and equipment.</p> <p>LSPBSL development is a relatively new product that can be delivered in a variety of site locations and development scales. As such, introducing some flexibilities and focusing more on outcomes is considered appropriate to enable site optimisation; innovation in format; and response to resident feedback. Inclusion of indicative layouts may discourage this. In the round, these amendments mean designers and decision-makers can focus on the desired outcomes of creating shared spaces that will genuinely provide opportunities for community building, inclusion and housing quality: key objectives of policy H16.</p> |
| <p>Definition and design</p> <p>Management plan's tenant marketing and contract strategy</p> | <p>Removal of references to designing for a particular demographic.</p> <p>Added guidance advising of the desirability of this – including detail on how marketing will promote the inclusiveness of the development.</p> | <p>Whilst LSPBSL may be in use by a particular demographic, this does not mean that a wider group of people couldn't potentially benefit from this type of accommodation; and a narrow demographic should not unduly impact design.</p> <p>Consultation responses that concern advancing equality of opportunity suggested that, in addition to inclusive design, awareness should be raised of LSPBSL inclusive design features to support a widened demographic accessing this type of accommodation.</p> |

5. Financial comments

5.1. There are no direct financial implications for the GLA arising from this decision.

6. Legal comments

6.1. There is no statutory power that expressly deals with the development of the LPG in the GLA Act). However, LPG is developed in accordance with the general power in section 30 of the GLA Act,¹ which gives the GLA the power to do anything that it considers will further any one or more of its principal purposes, namely promoting economic development and wealth creation; social development; and the improvement of the environment in Greater London. The LPG will further all three principal purposes

¹ [Greater London Authority Act 1999](#)

to some extent, in particular promoting social development and the improvement of the environment. In addition, section 34 of the GLA Act contains a general power to do that which “is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the Authority”. The LPG is developed under these general powers.

- 6.2. The High Court has confirmed² that planning guidance issued by the Mayor of London is capable of being a material planning consideration in the same way as local Supplementary Planning Documents at borough level – that is, through supporting the policies in the relevant Plan.
- 6.3. The LPG has been subject to legal advice.
- 6.4. The Mayor and the GLA are subject to the public sector equality duty; this is considered in detail in section three.

7. Planned delivery approach and next steps

- 7.1. This is the final stage of the development process for this piece of guidance and subject to this decision this LPG will be published with appropriate notification in February. There is further guidance on other London Plan subject areas in different stages of development.
- 7.2. The LPG will be applied as a material consideration to the local plan-making process, and to relevant planning applications by decision-makers. As a result, boroughs will consider the guidance (where relevant) when developing local plans and assessing planning applications for LSPBSL schemes. It will also be considered when assessing the general conformity of local plans with the London Plan, and in the assessment of referable planning applications.
- 7.3. The LPG includes links to GLA webpages and references other guidance in preparation. As and when the web addresses change, and other documents are finalised, the links in the online and PDF versions of the LPG will be amended to ensure they direct users to the correct place, and any additional links will be added as appropriate.
- 7.4. Timelines for the key next step activities are as follows:
 - i. notification of the adoption – February 2024
 - ii. publication (including supporting documents) – February 2024.

Appendices and supporting papers:

- Appendix 1 – Large-Scale Purpose-Built Shared Living LPG
- Appendix 2 – Equalities Impact Assessment
- Appendix 3 – Consultation Summary Report

² [McCarthy and Stone Retirement Lifestyles Ltd & Ors. R \(on the application of\) v Greater London Authority \[2018\] EWHC 1202 \(Admin\) \(23 May 2018\)](#)

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Sophie Donaldson has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Phil Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor’s plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 29 January 2024.

✓

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

21/02/2024

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor.

Signature:



Date:

29/01/2024