Delivering 50,000 homes a year in London

A Report for the 50,000 Homes Campaign
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The project

The objective of the project was to provide a framework to structure the campaign which will aim to hold the GLA and other levels of government to account.

To do this we first identified the major elements which would have to be put in place if London is going to move towards doubling its output levels on a sustainable basis. This involves clarifying the stages involved in development; the constraints faced at each stage; and the measures that might be implemented to modify these constraints. Importantly there should be consideration not just of the nature of constraints but how they interact with one another.

The next question was to set out what a monitoring system that could provide a basis for holding government at all levels might look like. This required identifying the major areas where monitoring might be appropriate and the data sources that might be used – as well as setting out a timeline to achieve 50,000 homes.

This paper addresses these issues by first clarifying our understanding of the types of indicator necessary to generate an effective traffic lights campaign; second setting out the most important indicators that might best reflect progress to the objective of 50,000 homes; and a potential timeline.

Our understanding of the types of traffic lights necessary

In this paper we use a number of criteria relevant to a successful campaign, including

a. ***producing a limited number of indicators***. Most indicators will relate to London overall and where possible be ones that the GLA can influence;
b. ***providing indicators for all three levels*** **of government** to take account of the fact that the boroughs are the planning authorities, not the GLA, and that central government has a key role in determining what is possible;
c. ***choosing indicators that can be reasonably easily measured and interpreted,*** or where we can identify how the GLA or the Campaign might develop such measures; and
d. ***choosing indicators where there may be variation*** or progress over the four year period.

Two important caveats: quantitative data are often quite out of date. Thus for instance net new supply which is a core indicator of success is currently only available up to 2014/15 with the next annual update in November 2016. Secondly, the quality of the data can be quite variable as it depends on inputs from many different stakeholders. Any quantitative measures are therefore likely to need careful interpretation in the light of other evidence. Some qualitative data will come from regular surveys but most will be in the form of indicative evidence from stakeholder organisations and will need to be linked to other information. These are reasons for using groups of indicators rather than individual measures in many cases.

A third issue is that four years is a relatively short timescale over which to observe significant change especially in final output. This is one reason to emphasis movement towards desired outcomes. Finally, most observed change will be the outcome of market pressures as much as response to political decisions.

In order clearly to measure change and progress there needs to be both a baseline and an understanding of the factors that are constraining investment as well as an understanding of what can reasonably be expected. The baseline should set out what is currently being achieved in terms of output; what land is currently identified as available; how output is split between market and affordable housing; and what is known about future aspirations with respect to output. It should also clarify how output would need to increase to achieve 50,000 homes in 2020.

Approach

We took as our starting point the useful discussion paper presented to the Advisory Group in July which lists potential areas for monitoring. This paper raised a very large number of areas that might be addressed. Some were one off policy changes to help enable more housing to be built. However such changes do not directly monitor progress. There are two options here – not mutually exclusive: include one or more indicators which reflect the trajectory of policy change; or undertake a continued, but separate, analysis of the policy changes required and their progress and link that progress into the traffic lights assessment when it can be expected to impact on what is possible.

It is our view that the traffic-light system should mainly assess outputs and outcomes and aspects of process towards the goal of achieving 50,000 homes. Given this, we include two main types of indicator: the first are numerical indicators which the GLA already monitors or could so do; the second (overlapping) type relate to the major constraints on increasing activity identified as limiting progress.

Numerical indicators available in some form from the GLA concentrate on the evidence base for the London Plan. They include publicly owned land; planning permissions; starts; completions; and the numbers of affordable homes. After discussing the national indicators and their possible implications for the GLA, these form our first set of GLA indicators. We would expect these also to be monitored by the new Homes for Londoners team which has been set up by the Mayor to fast track development of genuinely affordable homes.

Evidence on why developments are not going ahead is mainly qualitative and currently depends heavily on Molior surveys and GLAs relationship with builders which are not publicly generally available. What can be done here is less clear. This element should include both substantive evidence of progress and an indicator of GLA activity to address the issues raised.

National indicators

The most obvious national indicator relates to progress towards meeting the government's aspiration of achieving 1 m units in England by the end of 2020. This is to be measured in terms of net additions to supply and covers a maximum of five and three quarter years from April 2015.

At the present time there are no published data on net additions for any of that period. In 2014/15 there were 170,700 net additions. If this rate could be maintained, the figure for 5.75 years would be within 20,000 of the one million aspiration (although if it were to be re-cast as a 5 year requirement which is probably how most people see it, it would be nearly 150,00 short). However, current household projection figures suggest that what is required is a minimum of 222,000 homes p.a., so even if the million were achieved it would result in an increase in the shortfall by around 260,000.

Within the net new additions figure of 170,700, new completions were around 155,000 i.e. nearly 91% of the total. It may be therefore be possible to use completions as a more up to date indicator of progress by making an adjustment based on assuming constant proportions and to go further by using starts – although that relationship between starts and completions has not proved straightforward. In 2015/16 and the first 2 quarters of 2016/17 completions were running somewhat below the 2014/15 total, suggesting progress towards even the not very aspirational number of 1 million has slowed[1].

So the 2 indicators here might be progress towards the 1 million and progress towards 222,000 per annum.

The other national indicator based on the government's own statements ought to be the numbers of units that the government forecasts will be generated by their affordable housing initiatives. Brandon Lewis provided the table below to the House of Lords Select Committee. The numbers relate to their aspirations initiative by initiative.

Programme	**Delivery (units)**
Help to Buy: Shared Ownership	135,000 starts
Starter Homes	200,000 starts
Affordable rent	100,000 starts
Home Building Fund	25,500
Public Sector Land programme	Release land for 160,000
Large scale developments (Ebbsfleet, Bicester, Brent Cross, Northstowe, Barking Riverside)	55,000
Estate Regeneration	6,000
Help to Buy Equity Loan extension 2016-17 to 2020-21	Support 145,000 families into new-build homes
TOTAL	**521,500 units** **160,000 land capacity** **145,000 supported into new homes**

Each of these could in principle be monitored. However at this stage there are a number of issues which make it difficult to use these aspirations in the campaign in a straightforward way: (i) they are not mutually exclusive; (ii) most do not have to be achieved by 2020; and (iii) data (and actual investment) will be slow in becoming available. Even so given the problems that some of these initiatives face in London it may be worth monitoring what progress there is.

The GLA's and the Campaign's Aspirations

The numbers required

In the latest London Plan (originally published 2011, latest revision March 2016), the GLA calls for 500,000 additional homes in ten years from 2015. Given the starting point this was not intended to imply 50,000 homes per annum but rather suggests a build up with output heavily back-loaded. The Mayor has, since the

1 We have set this out in some detail to show some of the complexities of determining progress and the sort of assumptions necessary to provide an apparently simple measure against which to apply traffic lights.

election, made no promises on numbers. In the Manifesto 50,000 per annum was mentioned as an aspiration but with little detail about when (or indeed how). The Campaign has called for 50,000 homes by 2020.

In 2014/15 net additions in London were estimated to be 26,840, with completions accounting for slightly more than 91% (data come from LAs and are not accurate to the last digits). Completions were lower in 2015/6 and the first 2 quarters of 2016/17 – so it is probably fair to say that the base line is not far above half of the Campaign total. That number is roughly proportional to national output levels.

To achieve 50,000 homes per annum by 2020 would imply on a trajectory something of the order of 2016/17: 30,000; 2017/18: 35,000; 2018/19 41,000; 2019/20: 46,500 and 2020/2021: 52,000. This suggests that a simple traffic light would always be red, so it is probably sensible to use an indicator which measures the proportion by which the objective is not being achieved and whether that proportion is improving. This could however go even more red this year and next because of current market conditions plus political uncertainties. (And, of course, even meeting the 50,000 by 2020 objective would not bring the numbers up to anything like 500,000 in the ten years unless output continued to expand significantly).

Two factors which might generate quicker progress are (i) an increase in Permitted Development numbers (in 2014/15 there were 3,600 additions from this source) and (ii) a reduction in the average time between starts and completions. It has grown considerably lately in part because of changes in built form, so there could be an improvement in average times as large blocks come on stream. Equally build to rent is intended to reduce the time scale. *Monitoring Permitted Development, Build to Rent and the average time between start and completion* could provide useful supplementary information.

A more generous measure of progress would monitor whether the GLA is providing proportionately to national aspirations – in population terms this would imply 13.6% of national totals; in household terms it would be about 14.3%. In 2015/16 starts in London were 15% of the national total; while in terms of completions the figure was 17.3%. In both cases therefore London is doing a little better than England as a whole, so this might be worth including as a potentially positive measure. However these figures go nowhere meeting requirement. Comparing the 222,000 with London's 14.3 % of households would imply completion rates of around 32,000 per annum. And if London were to aim to meet net additional need measured by household projections the shortfall would be 55,000 per annum. This in turn would imply that London was falling behind faster than the rest of the country – but it would also be less than the Campaign's total.

Other Quantitative Measures of supply

Important contributors to future output include land availability; planning permissions; starts; completions; and the smaller elements that are included in net additions (conversions, change of use, other gains less demolitions) which account for around 9% of net additions, although as noted above this proportion may increase.

Land supply

Potential land supply is identified in the London Plan, based on a detailed analysis of the probability that sites are in a position to come forward if the owner so wishes. Small sites are projected on a trend. Given the higher densities that are now expected the land identified is technically enough to enable 50,000 homes per annum – assuming the land does come forward. The assumption is that the benefits of development are high enough to make bringing it forward worthwhile and that should be reflected in applications and permissions granted.

An important issue here is density. The land currently identified is just about enough to provide 50,000 homes a year if densities are increased. However they have been increasing rapidly over the last few years while output levels have hardly risen. Equally higher densities will normally slow the process of development unless combined with other change – e.g. higher numbers of build to rent. So a density measure should not be used alone. Rather it should be linked to completions and Build to Rent completions.

An important issue is the ownership of the land. Although developers, who normally have the incentive to bring the land forward in a strong market such as London's, are the major owners of land identified for development the rest is in the hands of owners who have varying incentives to hold or sell to developers.

The availability of public land is estimated by the GLA in the Land and Asset portfolio. Developable land is not necessarily suitable or ready for development of any type and includes land for a range of purposes other than housing. For example, TfL land includes strips by railway lines; there is land for industry, parks schools etc. None of this land is expected to be for immediate development except when identified in overall supply. The incentives for public landowners to bring land forward are affected by their need for finance and by Treasury rules – so generally they will be looking to maximise prices.

Change of use, not only from industrial and commercial to residential but also through polices to modify/densify existing residential development, as a source of additional housing is likely to be of increasing importance especially if central government further incentivises it. This avoids both additional land use and planning constraints. Government figures on PD are limited. The industry appears to provide more up to date estimates. *Permitted development completions are an important indicator of increasing output. Changes in the proportion of activity may be easier to estimate.*

Planning permissions

GLA monitors the number of planning permissions and the numbers of units expected from these permissions. The flow of permissions has been such as apparently to maintain a four year supply of land for development – which, given that permissions only last 3 years - appears reasonable.

There are at least three concerns that cannot be addressed by simple numbers of permissions (i) ownership and incentives to develop; (ii) the make-up of these permissions especially in terms of size of site; and (iii) whether the land is actually ready for development. On the first, although much of the rhetoric is around developers holding land off the market, the much more important issues may be around traders and owners who have little or no incentive to use their permissions for anything more than strengthening their balance sheets. On (ii) much of the discussion is around build out rates and maintaining prices – but again the situation is more complicated and on (iii) there clearly is a lack of information. We return to these issues in the next section on constraints.

Starts and completions are the most readily available up-to-date data and therefore the best source of direct information on progress. *Both starts and completions are monitored monthly – both should be included in the indicators.*

While there used to be a fairly constant relationship between the two, this has lately broken down. If it re-emerges there will be a significant boost to output levels (thus a good area for traffic lights) but again the data are poor. *The Campaign should work to include an indicator of average time taken from start to completion.*

Equally on affordable housing, starts and completions are available by tenure but these are poor outcome measures (especially starts) as business plans change and many affordable homes will at least initially be counted among those provided by the private sector. *The better measure to include is therefore completions by tenure.*

Importantly, one to the roles of the Homes for Londoners Team should be undertaking is to improve the quality of data and its accessibility so that better assessments of process and progress can be made. Initially the Campaign should include *an indicator based on what data are readily available; how out of date they are and what are not available – using the time series recommended in this paper.*

Constraints

The LSE London research on ***Accelerating Development in London*** [2]points to some of the major constraints that appear to be limiting progress. The most important appear to be:

- tensions around bringing land into use;
- the types of site available;
- capacity at local authority level in planning department - but also in other departments that support development;
- pressures on the construction industry;
- viability, the effect of s106 and other planning conditions on that viability and their relationship to affordable housing; and
- the impact of government policies.

Development finance as such is not generally seen to be a major issue.

The amounts of LA money from S106 and Right to Buy and the difficulties they face in spending it effectively is poorly documented (the Centre for London has a project relating to this) but unlikely to be very significant in terms of total number of units.

At first glance there appears to be a healthy flow of **planning permissions** and, although the numbers of permissions granted do not appear to have changed greatly since the NPPF was brought in, there have been increases in the numbers of units permitted in London. However **build out rates** are a different matter. A large proportion of land with planning permission in the GLA database is on large sites of 1,500 units or more in areas at some distance from other people and thus less likely to elicit NIMBY objections. This model helps achieve the 5 year land supply and keeps costs down for LAs and large developers. However the larger the site, the slower the build-out rate – most 100-200 unit sites can be built out in 2 or so years; some larger sites are set to take anything up to a century at current rates. This evidence strongly reinforces concerns about the range of site sizes available – one which is seen as a major constraint by developers of all sizes. So to increase output levels there need to be far more medium (100 - 200) unit sites plus greater potential for windfall sites to come through with permission in principle.

We therefore recommend that the Campaign includes not just the numbers of planning permissions in play but the size mix of sites. It would be an indicator mainly for Local Authorities, especially if taken in in relation to their planned and actual output figures. The GLA should also have a role in managing how sites come forward.

A related issue is the availability of small (often really micro) sites, particularly for small builders and alternative housing. There are now government requirements in place that could potentially be monitored separately. However, the overall impact will continue to be small so it is enough to include them in the size mix of sites.

[2] http://lselondonhousing.org/wp-content/uploads/2016/06/Accelerating_housing_production_v2_nobleeds.pdf

More complex indicators would identify progress by size. This could be achieved by regular analysis of the data provided by LAs to the GLA. These data have in part been analysed for the Outer London Commission Reports; and in part for the GLA's density projects which are due to be published as part of the background evidence for the new Plan. The HBF also publishes pipeline information by size some of it by region.[3]

There is still very little known about the constraints holding up particular sites Molior provides qualitative information to the GLA but it is not publicly available. *The Campaign should call for a programme of site by site assessments of constraints and potential on the larger sites (1,000 plus) by either central government or the GLA. Once this is made available how the constraints are being overcome can be monitored.*

Many of the suggestions around how to incentivise the speed of building are likely to be difficult to implement. In particular simply refusing to renew planning permissions would be problematic on legal grounds. Possibilities such as charging council tax on unbuilt units to incentivise more rapid development would run into many issues around practicability. The types of policy that have been suggested include breaking up sites to bring in additional developers and supporting direct commissioning by public sector land owners. Given current powers these probably be better done by negotiation and agreement– although it would clearly be useful if GLA powers were extended.

One approach might be to subtract sites where there has been no real sign of progress from the permission data – so clarifying that the real flow is very different from the apparent flow. This could be estimated as part of the Campaign.

Three other important issues related to planning permission and build out rates are: LA and GLA capacity and skills; construction industry capacity and skills; and the negotiations with respect to affordable housing. We discuss each in turn.

LA and GLA capacity and skills.

It is perceived on all sides that there is a shortage of adequately qualified and experienced staff not only in planning departments both at the strategic level and in terms of the day to day management but also in legal, surveying and other departments where there are hold ups and poor performance. Most LAS have reduced the scale of staffing – although some are building their numbers up again. The big concerns are around quality and experience and inter-departmental bottlenecks rather than numbers of planning officers per se.

The most obvious way forward is to relax the nationally determined maxima planning fees that LAs are able to charge to enable greater inputs. At the least there should be a higher GLA specific rate.

One proposal is that the GLA should set up a 'flying' expert panel that can support LAs by helping them to overcome identified constraints. This could include legal specialists as well as planners and surveyors. In this context the indicators would initially be a qualitative one around setting up potential. Thereafter activity could be measured.

At the LA level the starting point would be the readily available government monitoring statistics on performance which suggest great variation between boroughs, although averages are consistent with national averages. These could provide a readily available initial indicator.

These data should be supplemented with information about vacancies and turnover in the main departments. A starting point is the quality of what LAs provide on the web. Thereafter it would require primary data collection – unless the GLA can be persuaded to do it.

[3] http://www.hbf.co.uk/?eID=dam_frontend_push&docID=25262&filename=HPL_REPORT_2016_Q1.pdf.

At the GLA level it is important to clarify how many planning permissions are called in and how efficiently these call-ins are treated. *Performance measures on call-ins would be relevant to understanding how the GLA is operating.*

Construction industry - capacity and skills.

This is an area of longer term concern linked to the loss of firms and labour during the downturn; to changing technology; and proportions of the workforce that are migrants[4]. The Department for Business publishes a large amount of data on materials, skills and costs but almost all is at UK level and often does not distinguish residential. RICS also provides data and commentary as do the HBF – but these are not enough to provide a London specific measure. A further issue is that much of the data that are available are demand determined – so showing a decline in numbers employed for instance does not inherently say anything about supply side pressures. Organisations such as the Chartered Institute of Building bring together industry understanding of constraints including the role of migration in the construction industry. However this is an area where we have found no immediately available quantitative indicators.

A rather different issue relates to estimates of the required profit margins on the building stage of development – a good sign of risk and pressure. Anecdotal evidence suggests that these required rates have risen rapidly for contractors (where required returns were relatively low – below 10% on costs as compared to 20% plus for speculative builders taking risks along the whole development process) in part because of uncertainties about future costs. However there are no readily obvious indicators.

In the policy context perhaps the most valuable indicator would be to monitor the numbers of apprenticeships coming through the government sponsored scheme.

A further issue is the impact of changing technology both because of the increasing prevalence of tower block but also the more general development of off-site construction. Most large developers use a great deal of off-site construction. It uses different skills; quality can be more consistent; and some types of jobs can be de-skilled. The most difficult aspects are around getting the offsite elements introduced into the development on site. There are good models becoming available ranging from temporary units to accommodate homeless families for up to five years in Ladywell to sites like North Greenwich where thousands of flats are being provided. It should be seen as part of the GLA's role to analyse these demonstration projects; to identify constraints; and to work to overcome these constraints and generate scale. But this is a longer term ask.

The negotiation and impact of affordable housing requirements.

This is probably the most difficult area to monitor effectively as there are so many elements to success. Current issues are around financial viability (especially if house prices stabilise or fall) and about potential policy change towards a tariff style approach. These changes may have longer term positive effects but could also increase risks and slow permissions and development in the term relevant to the 2020 objective.

Data on subsidised housing and housing achieved through S106 by type of tenure (affordable rent; shared ownership etc.) are collected by the GLA in their role as London's HCA. These data provide a set of indicators but do not address the complexity of the issues. Build to Rent developments usually come under covenants and it is not yet clear how accurate the relevant data on affordability are. Permitted development normally

[4] https://www.researchonline.org.uk/sds/search/download.do%3Bjsessionid=BCD89223B19A801964DA05D0747043B9?ref=B11490

https://www.theguardian.com/business/2016/may/11/brexit-shortage-construction-staff-barratt-housebuilding-uk-eu-referendum includes no affordable housing so if it increases as a proportion of total output aspirations based on proportions may not be easily interpretable.

It is obvious that an indicator must be included. At this point we would suggest using the data provided by GLA.). Another indicator of relevance in this period of uncertainty is *numbers of planning permissions refused by LAs on the grounds of inadequate affordable housing and the number of GLA determinations involving affordable homes.*

Prices and affordability

At this stage we have not included indicators on prices and affordability as these will not in the relevant period be affected by policy but rather by economic pressures. The GLA publishes data on both these indicators which could be readily included.

Opportunities

Housing Zones

Housing Zones provide an ideal indicator of progress - almost certainly acting as a surrogate for progress more generally as so much resource is being put into these zones. Importantly at least in principle each has a business plan and a timeline for delivery. It is also argued at least for the early ones that all stakeholders are working towards the same objectives in a transparent fashion. In many cases the GLA has put in funding to address constraints – but there is some concern that not all of this funding is adequately targeted.

The GLA has promised a databank but as yet there is no sign of what it will include. This is partly because many are only at the planning stage or have just been given permission. *One objective of the Campaign should be to ensure that this databank is made available and is kept up to date. Once these data are in place they can then at least in principle be monitored against the relevant business plans.* This in turn could lead to a better understanding of the factors that are causing delay.

Build to Rent

Monitoring the progress of the Build to Rent programme has already been mentioned. *Monitoring Build to Rent should include starts; completions time from start to completion; and the provision of affordable rented properties.* Success would be based on numbers completed; the time taken from the submission of planning permission to start and then completion; and evidence on the rent profile.

Public sector finance

The GLA has a relatively little capacity to fund where a subsidy is required. Much of what there is will go to unlock problems around Housing Zone progress. LAs have funds from S106 and Right to Buy etc. some of which they have little capacity to spend within the rules. They also have capacity to borrow for activities that will cover their costs. All of these elements could in principle be monitored – but the details of funding are sometimes difficult to interpret. *Choosing indicators in this context should be done with the help of financial expertise.*

Green belt

Many commentators, including Alan Mace's recent report, have suggested that poor quality green belt land and especially land where infrastructure has been provided should be re-designated as developable[5]. The

[5] http://www.lse.ac.uk/newsAndMedia/news/archives/2016/07/ReviewOfLondonsGreenBelt.aspx)

Mayor has however already decided that no residential development should be undertaken on greenbelt land (although it is accepted that land for other uses such as schools may use greenbelt land).

One relevant indicator which might be valuable is the number of greenbelt reviews that are being undertaken and what the results are of these reviews. It may be appropriate if this indicator were to include local authorities that are just outside the London boundary in the South East. The more reviews, the more the case for some building on the Greenbelt. In addition it might be worth clarifying the loss of London greenbelt to other uses as evidence that it is not sacrosanct.

Communities

The original list calls for an indicators that could assess positive community involvement. The only obvious indicator would be in the context of neighbourhood plan activity – as this is a positive way of providing additional housing in a form acceptable to the local community. *The indicators would be the number of successful neighbourhood plans and the number in process.*

Policy decisions

As the original note makes clear there are many areas where policy decisions may be necessary to help speed up development and to ensure that what is provided meets affordability requirements. In the GLA context that would include decisions on viability; affordable housing; the allocation of GLA funds and possibilities around borrowing.

A productive way that these issue might be included in the traffic lights would be to identify the most important policy decisions required at both national and local levels and their potential timetable - e.g. not on the cards, part of London Plan development, in play, etc. and then to monitor and comment on progress as part of the Campaign. These would include among others changes to the starter homes initiative; improving the Build to Rent model; clarifying valuations with respect to CPOs; modifying the viability rules and simplifying S106/CIL; expanding Permitted Development possibilities; moves towards devolution.

Conclusions

This paper aims to provide a framework for monitoring progress on the Campaign's objectives. As such it raises more issues than can sensible be monitored on a regular basis. In some cases there are clear and available indicators; in others there is no regularly available sources of which we are aware. In these cases it may be possible to identify surrogates or it may be necessary for the Campaign to instigate regular surveys, FOIs or other approaches. Whatever, indicators will normally need to be used in groups and assessed with understanding, not only of the strength of each indicator but also of the economic and political environment.

If the Campaign were to cover all of the elements identified as relevant to achieving higher output levels , bearing in mind that we have included both quantitative and qualitative measures, an appropriate set of indicators might be those set out below.

- *Monitor progress nationally towards 1 million homes by 2020 and 222,000 homes per annum, as well as 50,000 homes in London. To achieve 50,000 homes by 2020 would imply this rough straight-line trajectory:*
  - *2016/17: 30,000*
  - *2017/18: 35,000*
  - *2018/19 41,000*
  - *2019/20: 46,500*

- *2020/21: 52,000*

Readily available

- *Monitor permitted development and the average time between start and completion. PD completions are an important indicator of increasing output; changes in the proportion of activity may be easier to estimate than absolute numbers. Both starts and completions are monitored monthly and should be included in the indicators. The Campaign should work to include an indicator of average time taken from start to completion.*

Out of date information: would need to be estimated for later years

- *Monitor completions by tenure.*

Readily available

- *Monitor what data are readily available, how out of date they are and what are not available for the time series recommended in this paper.*

All readily available time series indicators

- *Monitor size mix of sites by local authority, in relation to planned and actual output figures. The GLA should also have a role in managing how sites come forward.*

Requires regular updates from individual data reported to GLA

- *Call for either central government or the GLA to carry out site-by-site assessments of constraints and potential on larger sites (capacity for 1,000-plus dwellings). Monitor performance in overcoming these constraints.*

New indicator

- *Subtract sites where there has been no progress from the permission data, to demonstrate that the real flow is very different from the apparent flow.*

Requires regular updates from individual data reported to GLA

- *Encourage the GLA to set up a 'flying squad' of experts to support LAs by helping them to overcome identified constraints. This could include legal specialists as well as planners and surveyors. Indicator would initially be a qualitative one around setting up potential; thereafter activity could be measured.*

New indicator

- *Track GLA performance on call-ins.*

Reported individually

- *Monitor the numbers of apprenticeships in the building trades through the government sponsored scheme.*

Not readily available at GLA level

- *Track numbers of planning permissions refused by LAs on the grounds of affordable housing and GLA determinations involving affordable homes.*

Available but only from individual decisions at LA level

- *Ensure that the databank for the 31 Housing Zones is made available and is kept up to date. Once these data are in place they can then at least in principle be monitored against the relevant business plans.*

New indicator

- *Monitor Build to Rent including starts, completions, time from start to completion and the provision of affordable rented properties.*

GLA data

- *Choose indicators for public-sector finance especially the use of GLA finance with the help of financial expertise.*

Indicators to be determined

- *Track the number of greenbelt reviews that are being undertaken and their results.*

Available from each LA

- *Track the number of adopted l neighbourhood plans and the number in process.*

Available from each LA

- *Identify the most important policy decisions required at both national and local levels and their likelihood and potential timetable--e.g. not on the cards, part of London Plan development, in play, etc.--then monitor comment on progress as part of the Campaign*.

New indicator

This number of indicators is clearly inappropriate for a Campaign which aims to concentrate discussion on achieving a step change in production. The set of indicators above rather clarifies the range of issues and indicators that the Campaign might wish to examine at different stages in that Campaign.

The core set of indicators to be employed on a regular basis would more appropriately concentrate on how the pipeline from land through planning permission to starts and completions is changing and whether there is evidence of improvement in meeting numerical targets both at the London and the national level. It is evidence (or not) of **improvement** in the pipeline and in output levels that needs to be stressed as it is clearly infeasible to achieve the full desired output of 50,000 per annum by 2020. Concentrating on whether **progress** is being made **towards** that goal and ideally how that progress is being achieved could form the basis for a positive approach to monitoring success.

Table 1: Currently available data for Red-Amber-Green monitoring

Constraints	Policies & level of action	Indicators	Data availability
LAND AVAILABILITY			
Land available for planning	GLA to monitor land owned by the GLA group through the London Land Commission	1. Hectares of public land available in London	The GLA has made available a Land and Asset Portfolio on their website: https://maps.london.gov.uk/webmaps/LLC/ The GLA developable land is: - 414 hectares of land - 50,000 new homes to house 125,000 Londoners - 7 million sq mtrs of new workspace to create 60,000 new jobs - 14 schools for 9,000 students - 100,000 construction jobs - 11 new green parks covering 44 hectares This land is not necessarily available for development. The HCA publishes reports on land coming forward
	National Government to include housing in National Infrastructure Commission schemes	2. Projections of quantity of land availability through national infrastructure planning	The National Infrastructure Commission is in charge of analysing long-term infrastructure needs for the UK and establishing a strategic vision for the next 30 years. Recently, the "Government has decided that the Commission's remit will not include housing supply directly" (National Infrastructure Commission, 2016). However, including quantity of land available for housing in these projections would help impose a national policy on housing.
Land with planning permission	Each LA to create a data base with planning permissions to communicate with GLA	3. Planning permission by borough (and by size)	Each borough produces a list of planning application and their progress. Centralised database at GLA exists but not very accurate and not used much.
		4. Number of new planning permissions in London	
		5. Sites with outstanding planning permission by borough and by size	GLA KPIs (including traffic lights) http://data.london.gov.uk/dataset/gla-key-performance-indicators
		6. Number of outstanding planning permissions	This is only available site by site and difficult to interpret

		7. Planning permissions being refused with reasons	
Size & diversity of sites	Each LA to detail the size and specificities of sites	8. Proportion of each type of site	
Skills available in Las	National Government to provide enough resources for each LAs to employ enough planning officers	9. Number of unfilled vacancies in planning departments 10. Number of planners per number of applications	These would have to be based on LA based data
Progress on Housing Zones	GLA to monitor its progress on already existing Housing Zones	11. Number of housing built per year on Housing Zones	There are 31 zones in London that are set to provide over 77,000 new homes, of which around a third will be affordable. The London Data Store has an "Announced Housing Zones Attribute Information Table" in which the surface area of each housing zone is specified. It would be interesting to add there the projections for housing numbers for each housing zone. http://data.london.gov.uk/dataset/housing-zones/resource/7fc29d00-99f7-47eb-84fb-6fe9d4ee82bc#
Permitted development	Each LA reports numbers	12. Numbers of office-to-resi and retail-to-resi conversions	Quarterly figures by borough published in CLG live tables (latest April-June 2016): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/553109/PDR1.xlsx
13. DEVELOPING LAND			
Time to complete	Each LA to report the date of planning permission and the date of completion	14. Time to complete from start to end.	Each borough has a list of planning permissions, and should communicate the progress of developments to the GLA. We are aware that the London database has many limitations.
Reasons for slow or no development	Each LA to report to GLA reasons for slow or no development after 3 years (Lack of infrastructure	15. Reason for slow or no development	Qualitative information – a firm such as Molior, specialising in Land and Planning Research could prove useful.

	Pre-development charges). These could be used to influence future policy	16. Land prices	The London Data Store provides data on this. Among them are the London Housing Market report and the Average House Prices per Borough and Ward. http://data.london.gov.uk/housingmarket/ http://data.london.gov.uk/dataset/average-house-prices-borough
Number of completions	Each LA to report to the GLA the number of completion per year	17. Number of starts per year 18. Number of completion per year 19. Start and completion by size of site	The GLA has produced data regarding the number of houses completions per year and their affordability. The number of completions was 24,620 in 2015 with 8030 affordable homes built (around 30% of total completions). http://data.london.gov.uk/housingmarket/ Additionally, the output of the construction industry can be found on the Office for National Statistics website. https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/datasets/outputintheconstructionindustry The GLA produces Key Performance Indicators to measure the number of homes and affordable homes produced each year in London. In the 2015 Annual Monitoring Report, the target was an average completion of a minimum of 32,210 net additional homes per year and the completion of 13,200 net additional affordable homes per year. The GLA has been able to monitor yearly the number of houses completed per borough.
Affordable Housing	Each LA to ask for a mix of tenures in development and GLA to enhance this policy. National Government to devolve responsibility on social housing to London	20. Completion by tenure 21. 106 agreements with affordable housing	The London Data Store produces a GLA Affordable Housing Programme Outturn. http://data.london.gov.uk/dataset/gla-affordable-housing-programme-outturn HCA statistical returns provides specific data for London. https://www.gov.uk/government/statistics/statistical-data-return-2014-to-2015

	GLA to advocate for alternative housing such as co-housing or live/work units	22. Proportion of shared ownership properties in London	GLA is the shared ownership regulator and should know.
	GLA to monitor for the number of homes put forward for the PRS	23. Number of homes put forward through Build to Rent scheme	The British Property Federation collects data on the Build to Rent Scheme. They estimate that: 30,844 build to rent units are completed, under construction or with planning permission in London. http://www.bpf.org.uk/what-we-do/bpf-build-rent-map-uk
24. BUILDING HOMES			
Size of firm	GLA to encourage smaller builders to use sites		
Shortages of labour	National Government to facilitate the hiring of construction workers		
Innovative Building	GLA to influence the use of fast and sustainable methods to build homes (ex: association with modular housing factories)	25. Price of building	The ONS provides a Construction Output Price Indices (OPIs) detailing the cost of building per type of construction, occupation and materials used for the UK. http://www.ons.gov.uk/businessindustryandtrade/constructionindustry/articles/constructionoutputpriceindicesopis/2015-06-12

26. DELIVERING HOMES			
Capacity to sell or rent	GLA to monitor prices	27. Price/income ratio of homes 28. Land registry provides unit by unit information but with a lag	London Data Store provides a Ratio of House Prices to Earnings, Borough. http://data.london.gov.uk/dataset/ratio-house-prices-earnings-borough http://landregistry.data.gov.uk/
	Each LA to report to GLA the proportion of land for rent or for sale	29. Proportion of unit for rent and for sale	The English Housing Survey has produced data and a report on the Private Rented Sector for 2014-2015 in which the rise of the PRS is detailed BUT very limited use at GLA level especially in terms of output. https://www.gov.uk/government/statistics/english-housing-survey-2014-to-2015-private-rented-sector-report
Particular policies	Each LA to report to GLA the numbers related to each policy	30. Number of sales of starter homes	In 2015 the Government published its Productivity Plan to increase UK productivity growth over the next decade. The Government then aimed for 200,000 starter homes by 2020 and required each local authority to plan for their delivery.
		31. Number of sales with Help to Buy	The DCLG provides Help to Buy statistics by postcode districts. https://www.gov.uk/government/statistical-data-sets/help-to-buy-equity-loan-scheme-quarterly-statistics
		32. Number of sales through Right to Buy	The DCLG provides Right to Buy sales statistics for London. https://www.gov.uk/government/statistics/right-to-buy-sales-in-england-january-to-march-2016
Mortgage Availability	National Government to foster the availability of mortgages for First Time Buyers	33. Number of First-time Buyers	CML provides data on numbers of FTBs, existing owners and buy to let, mortgages, LTVs etc. for all types of buyer down to regional level.
LOCAL AUTHORITY PERFORMANCE			

Local authority performance	Local authorities report performance determining planning applications against national targets	34. % of planning permissions determined within target period	Quarterly figures published in CLG live tables: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/553165/Table_P151.xls

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