

# 2021 Housing Delivery Test Action Plan

## 1. Introduction

- 1.1. In November 2018, the Government introduced the Housing Delivery Test (HDT) as a standardised method of monitoring housing delivery across the country. The HDT measurement for each local planning authority (LPA) is published annually, with consequences applying for different levels of under-delivery, as set out in the [National Planning Policy Framework \(NPPF\)](#) and below in Table 1. These consequences apply concurrently, i.e. a LPA achieving under 75% in the HDT will face all three of the consequences until the date the next HDT measurement is published.
- 1.2. Transitional arrangements were in place for the 2018 and 2019 HDT measurements, meaning that the NPPF's "presumption in favour of sustainable development" only applied when housing delivery was under 25% and under 45% respectively. As of the 2020 HDT measurement, the transition period has ended, and the threshold has risen to 75%.

HDT measurement	Consequence
Under 95%	Production of an Action Plan
Under 85%	Identification of a 20% buffer in the 5-year land supply
Under 75%	The NPPF's "presumption in favour of sustainable development"

Table 1 - HDT Consequences

- 1.3. The Housing Delivery Test measurement is based on the following formula as set out in the [Housing Delivery Test Rule Book](#):

$$\text{Housing Delivery Test (\%)} = \frac{\text{Total net homes delivered over three year period}}{\text{Total number of homes required over three year period}}$$

- 1.4. In the [2018 measurement](#), LB Bexley achieved a result of 89% and, as a consequence, was required to publish an action plan analysing the reasons for under-delivery and demonstrating how the Council intended to increase delivery moving forwards. An action plan was published on the Council's website in 2019, 6 months after the publication of the HDT measurement.
- 1.5. In the [2019 measurement](#), LB Bexley achieved a result of 130% and as such did not face any HDT consequences.
- 1.6. In the most recent [2020 measurement](#) (published in January 2021), LB Bexley achieved a result of 81%. As a consequence, the Council is required to both publish an action plan and identify a 20% buffer in its 5-year housing land supply.
- 1.7. Due to the unprecedented first national lockdown announced in March 2020 in response to the spread of COVID-19, local authority planning services and the construction sector saw significant disruption. This has been reflected in this year's HDT through the removal of one month's worth of housing requirement from the measurement. The impacts of COVID-19 on the construction industry and planning services will be carefully monitored over the 2020/21 reporting year.

- 1.8. The results of the 2020 HDT show lower than expected housing delivery for the Council over the past three years, however the longer-term delivery recorded in the Council’s draft 2019/20 Local Plan Monitoring Report remains positive.
- 1.9. As detailed in section 3 of this action plan, the Council looks on course to pass the 2021 Housing Delivery Test, and therefore will not be required to produce an action plan next year.
- 1.10. A review and analysis of housing delivery over the 3 years of the HDT measurement and over the plan period as a whole has been undertaken, and the figures used in the HDT have been examined. This is discussed in section 3 of this action plan.
- 1.11. Furthermore, this HDT measurement comes as the Council continues its shift of approach with regards to growth, from a relatively low-growth borough, towards ‘positively managed’ good growth, through appropriate investment in infrastructure. The adoption of the Council’s Growth Strategy in December 2017 set out how major redevelopment could look in Bexley over the 30 years to 2050, provided that key transport projects and other required infrastructure are delivered. Given the timescales for delivery of infrastructure, much of the growth is anticipated to be developed in the second half of this period.
- 1.12. A new London Plan was adopted on 2 March 2021, which provides a strategic policy framework for London and sets housing targets for all London Boroughs. The new London Plan increases Bexley’s housing target to 685 units per year.
- 1.13. Bexley’s Local Plan is currently under review, with the proposed submission draft Local Plan and associated documents currently published for consultation which provides the detailed approach to the Growth Strategy’s vision and objectives, and demonstrates how the Council intends to deliver its housing requirements.
- 1.14. The Council believes that the adoption of these documents will increase housing delivery significantly in future HDT measurements. This is explored further in section 4.
- 1.15. Planning Practice Guidance (PPG) provides more detail of what can be considered in the process of preparing an action plan and has informed the preparation of this document.

## 2. Analysis of housing delivery

### Housing Delivery over the Plan Period

- 2.1. The figures used for Bexley’s 2020 HDT measurement are outlined in Table 2 (adapted from the published Housing Delivery Test 2020 Measurement). These delivery figures are provided to MHCLG by the GLA.

Reporting year	Number of homes required	Number of homes delivered	HDT 2018: Measurement	HDT 2018: Consequence
2017/18	446	314		
2018/19	446	530		
2019/20	409	215		

<b>Total</b>	<b>1,301</b>	<b>1,059</b>	<b>81%</b>	<b>Action Plan and 20% 5YHLS Buffer</b>
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Table 2 - 2020 HDT Measurement for Bexley. 2019/20 requirement reduced due to impacts of COVID-19.

2.2. However, the HDT does not look at housing delivery in the longer term. Focussing on only a three-year period does not account for the natural peaks and troughs in housing delivery, with some years delivering significantly more units than others, but overall averaging out in line with adopted housing targets. Supporting this, the Council’s housing delivery since the adoption of Bexley’s current local plan policies is more positive and shows the Council has so far exceeded its London Plan targets across the plan period as a whole and in five of the eight individual years, despite the low delivery in the 2019/20 reporting year (Table 3).

<b>Reporting year</b>	<b>Number of homes required</b>	<b>Number of homes delivered (net units)</b>	<b>Planning permission granted (net units)</b>	<b>Percentage of requirement delivered</b>
2012/13	335	426	1,049	
2013/14	446	542	600	
2014/15	446	807	435	
2015/16	446	109	689	
2016/17	446	816	2,408	
2017/18	446	277	615	
2018/19	446	566	1,054	
2019/20	446	192	816	
<b>Total</b>	<b>3,457</b>	<b>3,735</b>	<b>7,666</b>	<b>108%</b>

Table 3 - Housing delivery and permissions since adoption of relevant local plan policies (all figures are net) – adapted from Bexley’s draft 2019/2020 Local Plan Monitoring Report.

- 2.3. Since adoption of Bexley’s current local plan policies in 2012, to the end of 2019/20, the Council has approved 7,666 net dwellings (also Table 3): over double the number of homes required over the same period, and an average of 958 per year.
- 2.4. Over the period of the 2020 HDT measurement (17/18 to 19/20), 2,485 net dwellings were granted planning permission: again, almost double the number of homes required over this period, and an average of 828 per year.
- 2.5. As of 31 March 2020, the Council has extant planning permission for 1,036 net dwellings for which construction has not yet begun.
- 2.6. These figures show that over the past 8 years the Council has been consistently granting planning permission for development well in excess of housing supply monitoring targets for Bexley as set out in the London Plan and adopted in Bexley’s Core Strategy, suggesting the reasons for Bexley failing the HDT may lie outside of planning.
- 2.7. Across the whole 20-year plan period of Bexley’s Core Strategy from 2012/13 to 2031/32, the Council is projected to provide 13,311 net additional homes (based on completions to 2019/20 and expected completions, set out in Bexley’s five-year housing land supply and draft Local Plan Monitoring Report) against a total target over the same period of 11,697. This suggests that the Council will comfortably exceed the adopted housing targets over the plan period.

- 2.8. The housing completions exercise for the 2020/21 reporting year has not been completed at the time of writing and there are many additional uncertainties involved in predicting the 2021 HDT result. It is not yet clear how the wide-ranging impacts of the pandemic have affected the delivery of housing in Bexley, and how long these effects persisted for. It is also not yet known the scale of any adjustments that may be made to the 2021 measurement to account for these impacts (for example, delivery was assessed against only 11 months of requirements in this year's measurement). Therefore, no accurate prediction of the 2021 HDT measurement can be attempted at this stage.

## **Estate Regeneration**

- 2.9. A significant aspect of the variable nature of Bexley's housing delivery which is not immediately obvious from the HDT measurement comes from the number of units in the borough delivered through large estate regeneration schemes. These often involve large-scale demolitions, leading to lower net delivery in certain years despite high numbers of completions.
- 2.10. These schemes involve close partnership working with registered providers to deliver much needed improvements in housing conditions. The Council believes that, in the longer-term, the value of this greatly outweighs a small dip in housing completions in any given year.
- 2.11. For example, a significant estate regeneration project at Erith Park, led by Orbit Group and their development partner Wates, involved the replacement of a mono-tenure estate which had issues meeting decent homes standards, with an award-winning, mixed tenure development. Phase 2 of Erith Park completed in 2018/19, and included the demolition of 202 dwellings, delivering a net increase of 42 units. Whilst the development delivered a net loss of 35 units across all phases, it allowed the delivery of a greater number of much needed affordable three and four-bed family homes. The original estate had only 34 three-bed and no four-bed homes, whilst the redevelopment increased this to 154 three-bed, and 21 four-bed homes.
- 2.12. In terms of affordable housing, the redevelopment will deliver an uplift of between 6,165sqm and 10,075sqm of affordable floorspace depending on finalised layouts, representing a significant improvement overall.
- 2.13. The Council believes that the delivery of larger, higher-quality, affordable new units and the associated improvements in quality of life for residents, far outweigh this small loss in overall units.

## **Reliance on Large Sites**

- 2.14. Bexley's five-year housing land supply (5yhls) sets out schemes the Council believes will be delivered within the following five years and is updated annually. Bexley's previous HDT action plan, published in 2019, highlighted the Council's historical reliance on larger sites (0.25ha or larger), and the impact this has on housing delivery when focusing on only a short snapshot in time. However, in the two 5yhls reports published since, the percentage of Bexley's total housing supply expected to be delivered on large sites has dropped although it still accounts for the clear majority of supply (Table 5).

Reporting year	5-year period	Housing supply on large sites	Total five-year housing supply	Percentage on large sites
2014	2014 - 2019	1,792	2,087	86%
2015	2015 - 2020	1,883	2,370	79%
2016	2016 - 2021	1,966	2,689	73%
2017	2017 - 2022	2,319	3,241	72%
2018	2018 - 2023	2,806	3,207	88%
2019	2019 - 2024	2,830	3,224	88%
2020	2020 - 2025	2,356	3,990	59%
2021	2021 - 2026	2,530	4,159	61%

Table 4 - Proportion of 5yhls on large sites

- 2.15. According to Bexley’s 2021 5yhls, it is expected that 61% of our total housing supply for the following five years will be delivered on large sites (0.25ha or larger) compared to 88% in the 2019 5yhls.
- 2.16. This reduction is due to the introduction of the new London Plan (adopted on 2 March 2021 but incorporated into both Bexley’s 2020 and 2021 5yhls reporting), which for the first time includes targets for housing completions on small sites (below 0.25ha) as part of the overall housing requirement for each borough, as well as an increased overall target for Bexley.
- 2.17. As such, Bexley has included an allowance of small windfall sites (sites which are not specifically identified) within Bexley’s 5yhls, based on the London Plan’s small sites target. This windfall figure is higher than Bexley’s historical delivery on small sites but is considered appropriate given the policy framework set out in the new London Plan, and this approach is supported by the London Plan and NPPF.
- 2.18. This indicates that Bexley’s reliance on large sites for delivery is expected to lessen in the coming years as an increased number of small sites come forward for redevelopment, although they will continue to provide the majority of the supply. Delivery of homes on small sites will be carefully monitored over the coming years to fully understand the effects of the new regional policy framework on overall delivery.
- 2.19. Bexley’s large sites have historically been a deliverable and reliable source of completions, and the Council expects them to continue to be so moving forwards. The development of large sites offers many benefits which the short-term nature of the HDT often does not reflect, and the HDT effectively penalises Councils who rely on the longer-term delivery of large sites, regardless of the level of housing delivery achieved across the whole plan period and the inherent advantages of large site development. This is highlighted by the London Plan which states:
- 2.20. *“There will inevitably be variations in housing completions from one year to the next, as well as a degree of uncertainty in the delivery and phasing of large sites. Therefore, the Mayor will monitor both housing completions and the net pipeline of approved homes when assessing progress towards delivering the London Plan housing targets.”* (paragraph 4.1.9)
- 2.21. The Council will continue its successful approach to delivering large sites by taking a placemaking approach to contribute to the wider regeneration of areas more effectively. This allows infrastructure to be integrated into larger schemes from the outset (e.g. new schools, retail or

office space, open spaces, road improvements, public transport, pedestrian/cycle routes), and a more cohesive and higher quality design to be achieved across a larger area. This is harder to achieve on small sites.

- 2.22. However, it is acknowledged that the Council expects to see an increased proportion of its housing delivery on small sites in the coming years and that this form of delivery has its own benefits which should be maximised; this will be addressed in the Council's new Local Plan and Design SPD.

## 3. Actions & responses

### Five-year Housing Land Supply

- 3.1. As a consequence of the 2020 HDT result, as required in NPPF paragraph 73, the Council has included an additional 20% buffer (moved forward from later in the plan period) in its [2021 five-year housing land supply](#), to improve the prospects of achieving the planned supply and to ensure choice and competition in the market.
- 3.2. This brings the total five-year housing requirement to 4,110. This figure is met by the five-year housing supply of 4,159 net new units.

### Growth Strategy

- 3.3. Adopted in December 2017, the [Growth Strategy](#) is a material consideration when determining planning applications and sets out a clear vision for supporting good growth in the long-term.
- 3.4. The document has led to early discussions with developers and landowners regarding the possibility of developing key sites in light of future transport infrastructure improvements. Some of these discussions have evolved into fully-fledged Planning Performance Agreements, Strategic Planning Partnership Agreements and preapplications, whilst others are expected to progress in the near future. These are key, strategic sites that have the potential to deliver a significant number of homes, along with associated services and facilities.
- 3.5. The secured public transport improvements arising from the Elizabeth Line at Abbey Wood, alongside the designation of the Abbey Wood and South Thamesmead Housing Zone, has allowed delivery of the vision set out for this area in the Growth Strategy to progress. It is anticipated this will accelerate when the line opens in the first half of 2022.

### Draft Local Plan

- 3.6. Continuing the work which began with the publication of the Growth Strategy, the Council is focussed on preparing a new Local Plan which seeks to deliver the initial phases of the Council's growth agenda. The Local Plan is considered the next stage in the Council's shift of approach with regards to growth, from a relatively low-growth borough, towards higher levels of 'positively managed' good growth.

- 3.7. [Bexley's draft Local Plan](#) was published for consultation in May 2021 and provides the detailed approach to the Growth Strategy's vision and objectives and demonstrates how the Council intends to deliver its housing requirements.
- 3.8. The draft Plan includes sites allocated for residential or residential-led mixed use development which would be expected to come forward within the Plan period. Design guidance and minimum capacities are included within each allocation.
- 3.9. Allocating sites can provide certainty to developers and landowners and encourage sites to come forward that might not have otherwise. Allocations demonstrate what the Council would expect from each site, encouraging appropriate development proposals and saving time at the application stage.
- 3.10. Following the consultation period, the Plan will undergo examination in public and any final required modifications made before it can be adopted as the development plan for the borough.

## **Design SPD**

- 3.11. Alongside Bexley's new Local Plan, a detailed Design SPD is being prepared. This document will provide further detail and guidance on planning policies in the Local Plan.
- 3.12. It will provide design codes for small sites that provides greater clarity on how these sites can be delivered in a locally appropriate way, overcome common barriers to delivery, optimising their density whilst also protecting residential amenity and having regard to local character.
- 3.13. A characterisation study and urban morphology study have been prepared to inform the SPD. These studies allow the Council to better understand the physical make-up of the borough, where small sites can realistically be delivered, and how the Council can effectively optimise the output of small sites sustainably and without compromising local character.
- 3.14. The document will also provide comprehensive guidance on all other aspects of design, including colocation of housing with employment and leisure uses in industrial areas and town centres, encouraging the delivery of more housing in locations traditionally overlooked for this use.

## **Opportunity Areas**

- 3.15. Two opportunity areas have been designated within Bexley, in partnership with the GLA. These are 'Bexley Riverside' and 'Thamesmead and Abbey Wood'. The Thamesmead and Abbey Wood Opportunity Area also extends across the border into Greenwich.
- 3.16. The Opportunity Areas represent Bexley's major sources of brownfield land, where infrastructure and public transport improvements have the potential to unlock up to 14,000 new homes and 23,000 jobs.
- 3.17. [The Thamesmead and Abbey Wood OAPF](#) was adopted in December 2020, and the Council is working closely with the Mayor of London to prepare and implement the Bexley Riverside OAPF which will help realise the full potential of this area. The OAPFs will identify key infrastructure interventions required to unlock growth and will ensure investment by the Mayor is prioritised for these interventions in his strategic documents and business plans.

3.18. The Council expects these areas to contribute significantly to future housing delivery.

## **Housing Strategy**

3.19. The Council adopted a [Housing Strategy](#) in November 2020 which explores the types and volume of housing in Bexley, and the needs of its current and future residents.

3.20. It sets out the Council's approach to providing the mix of housing that is needed in the borough and is based around four key themes: working with partners; Council's policies; Council's data and performance; and resident offer.

3.21. The Housing Strategy and its associated delivery plan will help ensure the correct types of housing are delivered in Bexley.

## **Brownfield Land Register**

3.22. The Council is required to hold and maintain a [register of brownfield land](#) in the borough which fulfils certain criteria and is considered to be suitable for housing development.

## **BexleyCo**

3.23. The Council established a development company in 2018, called BexleyCo, to directly facilitate development across the borough.

3.24. BexleyCo's business plan sets out the intention to develop 1,200 high-quality homes in the next 10 years, with seven initial sites bringing forward 600 homes over the next five years. The company aims to deliver genuinely affordable housing and long-term rentals.

3.25. The company's first scheme for 58 units, was granted permission in June 2019, and is expected to complete in 2021. An additional scheme of 17 units was granted permission in 2020. Several other BexleyCo schemes are currently in the earlier planning and design stages.

## **Placemaking Projects Team**

3.26. Bexley's Placemaking Projects team are working directly on a number of projects involving the delivery of housing, alongside other uses, with a focus on the regeneration of specific areas.

3.27. With several projects around Erith town centre and in other sustainable locations in the borough, the team facilitates and promotes development of key growth areas. It does this through developer interaction, gaining planning permission, and delivering public realm and meanwhile projects to encourage private sector investment in development. The team are also assisting the Property and Assets team in undertaking a review of the Council's own assets to identify development opportunities.

3.28. These projects are progressing well, with some currently seeking planning advice with a view to submitting for planning permission shortly.



## Housing Zone

- 3.29. The Abbey Wood and South Thamesmead Housing Zone was designated in 2015, accompanied by a raft of financial and planning measures to facilitate the delivery of thousands of new homes through a partnership between the Council and the landowner, Peabody.
- 3.30. The plans include affordable and market housing; new offices and commercial units contributing to the economic regeneration of the area; new and improved community facilities including a new library and school expansion; and investment in highway, pedestrian, cycling and transport infrastructure in the area.
- 3.31. The first permissions were granted in late 2016 and phase 1 has been under construction since 2018 with many units completed and contributing to the 2020 HDT measurement. However, the delay to the opening of the Elizabeth Line at Abbey Wood has had a knock-on effect on development of sites in the Housing Zone, causing development to be delayed compared to earlier forecasts. The Elizabeth Line is expected to be operational in the first half of 2020, and as such delivery on Housing Zone sites is expected to pick up again in the near future.
- 3.32. Over the next few years, the Council expects to see the final demolitions taking place allowing further phases to be completed, providing a significant net contribution to future HDT results.
- 3.33. Peabody have recently submitted an outline application for the regeneration of the Lesnes Estate, which is partially within the Housing Zone, and if approved could deliver up to 1,950 homes.

## Compulsory Purchase Orders

- 3.34. The Council has successfully used its Compulsory Purchase Order (CPO) powers to enable delivery of the Abbey Wood and South Thamesmead Housing Zone discussed above. The Council is considering the use of its CPO powers to unlock suitable sites for residential development in other areas of the borough.

## Planning Performance Agreements & Preapplications

- 3.35. The Council's Strategic Planning teams work closely with Development Management colleagues on preapplications, Strategic Planning Partnership Agreements (SPPAs) and Planning Performance Agreements (PPAs), allowing input from the Council into proposals at a much earlier stage than would normally be possible.
- 3.36. PPAs and SPPAs provide a project management framework for strategic applications, with a named officer contact allowing consistency during the process, in-depth and constructive discussions and workshops with relevant officers and consultees throughout, and agreed dates to work towards.
- 3.37. This increases the chances of success in the later stages of the planning process reducing the risk of planning related hold-ups, increases certainty for developers, and greatly improves the quality of new development in the borough.
- 3.38. The Council currently has 3 PPAs in progress, which total over 3,500 new homes to be delivered in the coming years.

3.39. There is also an increased focus for the Council on preapplication discussions for all applications to increase certainty and reduce risk in the planning process. Since 2015, the number of preapplications received each year has continued to rise (Table 6).

3.40. Our largest scheme currently at the preapplication stage is aiming to deliver over 500 new homes.

<b>(Calendar) Year</b>	<b>Number of Preapplications</b>
2015	83
2016	179
2017	189
2018	264
2019	239
2020	291

Table 5 - Preapplications year-on-year

## Town Centre Masterplans

3.41. Another role of the newly formed Placemaking Projects team is the preparation of Town Centre Masterplans, working closely with key landowners and businesses. The masterplans will guide new development in town centres, encouraging an increased focus on introducing residential uses, and will identify specific sites and opportunities.

3.42. The first of these will be produced for Bexley’s largest town centre, Bexleyheath, where the Growth Strategy identified a capacity for 1,500 new homes by 2050. It will require new housing to be of a high standard of quality and design, enhancing the character of the area, supporting the vibrancy and vitality of the town centre, and creating an inter-generational neighbourhood where people live through choice.

3.43. Further masterplans for the Borough’s other major town centres will follow, with a focus on those which will benefit from potential future infrastructure improvements.

## 4. Monitoring

4.1. Housing delivery will continue to be monitored by the Planning Policy team, through the publication of an annual Authority Monitoring Report and Five-year Housing Land Supply. This information will continue to be shared across Council departments, and with other stakeholders.

4.2. This action plan will be updated, and further analysis undertaken, if subsequent Housing Delivery Test results require it.