



CLT NETWORK RESPONSE TO LONDON PLAN CONSULTATION, JUNE 2025

INTRODUCTION

The Community Land Trust Network is the official charity supporting Community Land Trusts (CLTs) in England and Wales. We are a membership body and represent 300 CLTs with over 2,150 affordable homes and other assets, including 12 London based CLTs.

This response is a collaboration between representatives from London CLT, OURI Labs, Forest CLT, NW3 CLT, Stour Trust, Community Led Housing London and the Community Land Trust Network.

RESPONSES TO CONSULTATION QUESTIONS

Section 1 Question 4. Paragraph 1.4: Viability and delivery

Small sites

As noted under section 4.1, 'The current plan had ambitious aims for small site development, but this has not been realised.' These aims had already been significantly scaled back from the potential during the Examination in Public under pressure from some boroughs¹. The London Plan, and policy H2, has not enabled the potential of small sites to be realised at scale. Some boroughs have adopted effective policies, in line with the expectations of policy H2, but in the example of Croydon this was withdrawn after just three years².

We are not aware of any examples of boroughs granting permission in principle on specific sites or preparing Local Development Orders that have supported any community-led development.

¹ <https://russellcurtis.com/smallsitesai/>

² <https://russellcurtis.com/2024/04/01/small-sites-big-ambitions-2/>

The policy requires boroughs to 'recognise in their Development Plans that local character evolves over time and will need to change in appropriate locations to accommodate additional housing on small sites'. Yet minor design arguments about character were given as a reason by planning officers for the refusal of a CLT application for 7 homes in Croydon, which is currently being appealed. A similar scenario occurred with a housing co-operative of multigenerational Asian families in Harrow, who were deemed to have proposed one too many homes, with little discussion. A resulting scheme for 3 affordable homes was unviable, and the co-op did not have the resources and energy to appeal.

Community Land Trusts, like other community-led developers and small private developers, find the planning system to be disproportionately costly, complex and uncertain with small sites. Two years ago, providing evidence to the Competition & Markets Authority, we calculated that across England it was costing CLTs £11k per home for planning fees and application costs, compared to the CMA's industry benchmark of £3.5k. Community Led Housing London estimates these figures for CLH groups to be around £27k per home in London, given the complexities of planning and context typically present in London. The government has recently issued consultations to address some aspects of this, focusing on site thresholds, biodiversity net gain and the role of planning committees. The London Plan policy has not been effective in fixing these issues.

We therefore urge the next London Plan to introduce stronger requirements on boroughs to reduce the risk and complexity for community led development on small sites. For example this could include Permission in Principle or the use of Local Development Orders for community led development on a number of specific small sites, both publicly and privately owned, across a local authority area, allowing community led development to have clarity on where to focus efforts.

Large sites

The current London Plan doesn't mention the potential for inclusion of community-led housing in large sites. Recent examples in London like the 23 homes for London CLT in St Clements, Tower Hamlets, and the 58 homes for Gida Housing Co-operative in St Ann's, Haringey, and similar examples outside London, show what is possible. In view of the substantial advantages of community-led development - noted in response to questions 9 and 39 - we would like to see the next London Plan include a requirement for consideration or inclusion of community-led housing in all large sites. For example, an expectation that at least 5% of homes are community-led (compared to 10% in St Clements and 6% in St Ann's). This expectation would be tenure-blind, so homes could

either focus on a particular tenure, or might cut across any mix of market and affordable housing, so as not to place an additional burden, while giving greater control and belonging.

In this vein we would like the next London Plan to encourage Boroughs not to place requirements that low-cost rented homes provided by community-led organisations do not have to be Registered Providers, as many community led developers struggle to become registered with the current high bar for registration. Organisations such as housing co-operatives and CLTs may be well placed to take up smaller numbers of rented homes provided by section 106 agreements, which have otherwise struggled to find RP providers.

Section 4 Question 9. Paragraph 4.5: Designing the homes we need

There is a significant problem with the way that homes and communities are created, but also stewarded and managed, long term. The Competition and Markets Authority conducted a market investigation and concluded in its final report³ that private management arrangements cause such serious detriment to consumers that the government should 'prevent the proliferation of private management arrangements for new housing estates' by implementing 'mandatory adoption of public amenities on new housing estates (outside of minor, well-defined exceptions)'. Boroughs are unlikely to consider public adoption in all cases. So the next London Plan could usefully set out expectations around those well-defined exceptions.

We think any exceptions need to be able to adapt to future needs, with broadly drawn objects and a duty to consider social, economic and environmental wellbeing. They should use any changes in land value to further those interests - mirroring the planning system, in particular where changes can take place without coming into contact with the planning system. They should be controlled by, and accountable to, their communities. These features reflect the criteria in the statutory definition of a Community Land Trust. The London Plan should set out a set of criteria along these lines.

These principles could also apply to the collective ownership and management of flats through models such as Community Led Housing London's Collective Ownership model for renters⁴ and cohousing communities. These models should be encouraged and provided for, through our suggestions in response to question 4.

Section 2 Question 25. Paragraph 2.12: Affordable housing

³ <https://www.gov.uk/government/publications/housebuilding-market-study-final-report>

⁴ <https://www.communityledhousing.london/collective-ownership/>

We understand that the London Plan, and the Mayor's Capital Funding Guide, aim to steer developments towards forms of affordable housing that best meet the needs of Londoners. However, the steer of current policy towards three 'preferred affordable housing tenures' disadvantages other tenures that meet the Mayor's overall aim.

For example, London CLT has pioneered a form of Discount Market Sale, now used by other CLTs, which has two key features: (a) initial sale prices and resale prices are connected to local incomes, making them affordable in perpetuity; (b) the CLT retains an ongoing stewardship role, protecting the homes in resales and supporting Londoners to buy and maintain their residence in the homes. Their model can be contrasted with providers of 'discount market sale' that are sold at high price points and with no ongoing stewardship, leading some boroughs to take a negative view of discount market sale products in general.

Groups such as the Rural Urban Synthesis Society have delivered intermediate rented homes at London Living Rent levels, which stay permanently affordable, without the ability to purchase/ sell the unit. Gida Housing Co-operative are looking to do the same at St Ann's. This is something the Mayor now endorses with the Key Worker Living Rent tenure. This tenure is also considering linking rental increases to wage growth, which London CLT already use for their resale price calculation, demonstrating the innovation that community led housing groups can bring to meet community needs and aspirations, if they are allowed the space to do so.

We would like the next London Plan to focus more on principles and outcomes, rather than being overly prescriptive on tenure. This should include encouraging Boroughs not to place requirements that low-cost rented homes have a Registered Provider as the landlord, as many start-up community led developers struggle to become registered. Alternatively, we would like to see the next plan explicitly recognise models such as London CLT's Discount Market Sale tenure - perhaps styled as something like 'London Discounted Sale' - to give planners and communities more confidence to use it.

Section 2 Question 29. Paragraph 2.14: Estate regeneration

If you have any comments, please add them here.

While the policy requiring a ballot of residents in order to access Mayoral funding for schemes that involve demolition has been positive, the London Plan could go further to give greater opportunities for equity, voice and control in estate redevelopment (see answer to question 39 on those principles). This could take inspiration from examples of infill development and demolition by CLTs such as Walterton & Elgin Community Homes and Leathermarket Community Benefit Society. Specifically, the London Plan could encourage or require consideration of opportunities for community-led development in the context of estate regeneration. This might include asset transfers to community-led organisations; provision of parcels of land for them; approaches to codesigning and devolving management of some homes and facilities to community-led organisations; and related approaches. Community Led Housing London offers a co-production service to facilitate this, and with CDS Cooperatives and LSE have been exploring ways to promote more cooperation in social housing⁵.

Section 2 Question 33. Paragraph 2.16: Other Housing Options

The next London Plan has an opportunity to better address the housing aspirations of people beyond simply an affordable home. Community led housing is driven by prospective residents who aspire to forms of housing and living beyond that which is conventionally provided. Making clear provision for community led development and custom-build as defined in the NPPF (with suggestions outlined in our response to other questions including question 4) can help people have with particular lifestyle needs, aspirations, and choices, including those who want to live in intergenerational arrangements beyond the nuclear family, with a sense of belonging and mutual support, and where they control their homes even as a renter, through a housing co-operative. This is dramatically different to co-living where residents are still tenants of extractive landlords.

Section 4 Question 1. Paragraph 4.1: Building height and scale

We are similarly concerned with the amount of development carried out by small and medium sized builders. Community led development (as defined by the NPPF) could offer a different approach to London's development potential, although it has not been sufficiently promoted by the London Plan, and barely taken up by Borough Plans.

We are concerned that setting blanket approaches to heights and massing could stifle design innovation and problem solving that can often come from resident aspirations

⁵ <https://www.communityledhousing.london/support/coproduction/>

and where the community are on board with development. Permission in principle may be useful, but only if it goes beyond what most would already expect a site to deliver.

We therefore urge the next London Plan to focus on reducing the risk and complexity for community led development on small sites. For example this could include Permission in Principle or the use of Local Development Orders for community led development (in line with the NPPF definition) on a number of specific small sites, both publicly and privately owned, across a local authority area, allowing community led development to have clarity on where to focus efforts, as distinct from other development.

Section 4 Question 19. Paragraph 4.10: Designing for everyone

Making clear provision for community led development and custom-build as defined in the NPPF (with suggestions outlined in our response to other questions including question 4 in section 2) can help people have with particular lifestyle needs, aspirations, and choices, including those who want to live in intergenerational arrangements beyond the nuclear family, with a sense of belonging and mutual support, and where they control their homes even as a renter, through a housing co-operative. This is dramatically different to co-living where residents are still tenants of extractive landlords.

Section 5 Question 39. Paragraph 5.19: Healthy communities

The current London Plan does not reflect the public health evidence in support of community-led development (as defined in the NPPF).

Public Health England (as was) published a guide to community-centred approaches for health and wellbeing,⁶ which states that 'community life, social connections and having a voice in local decisions are all factors that underpin good health'. It defines confident and connected communities in terms of three core concepts - equity, voice and control, and social connectedness. These factors are relevant to the Good Growth objectives, particularly 'building strong and inclusive communities' and 'creating a healthy city'.

Ensuring that the process of development and stewardship embed these factors is arguably as important as ensuring that the right sorts of homes and spaces are built.

⁶https://assets.publishing.service.gov.uk/media/5c2f65d3e5274a6599225de9/A_guide_to_community-centred_approaches_for_health_and_wellbeing_full_report_.pdf

This is further supported by other evidence. For example a literature review by UWE in 2019 found that community-led housing can support healthy ageing, social inclusion, improved physical health, tackling multiple disadvantages and meeting additional support needs.⁷ A study led by LSE, commissioned by the government and published in 2021,⁸ found that community-led housing strengthens social connections and social cohesion, and reduces feelings of isolation and loneliness. A recent report by the Centre for Social Justice found that the effects of loneliness and social isolation have been shown comparable to smoking, obesity and physical inactivity, and described community-led approaches as a means of "agency as a pathway to belonging".⁹ These studies all point to both the types of homes and places being built, and the agency, voice, control and confidence built up among participants, and with a ripple effect into the wider community.

The absence of equity, voice and control in the development system in London - a system characterised by some academics as inflicting 'slow violence' on Londoners - is a significant public health problem that needs to be addressed.

The next London Plan should therefore place emphasis on equity, voice and control, and should give weight to community-led approaches that embed these factors in any sort of development.

⁷<https://www.youngfoundation.org/institute-for-community-studies/repository/community-led-housing-and-health-a-comprehensive-literature-review/>

⁸<https://www.gov.uk/government/publications/community-led-housing-and-loneliness>

⁹<https://www.centreforsocialjustice.org.uk/library/lonely-nation-part-3>