



**London Borough of Lambeth
Housing Delivery Test
Action Plan
July 2025**

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SECTION 1: THE HOUSING DELIVERY TEST ACTION PLAN

Introduction and Background

- 1.1 Lambeth is a fantastic place to live with a strong and diverse community of which we are all proud to be a part. However, like every borough in London, we are facing significant housing challenges, with huge strain on the availability of affordable housing of all types and tenures in our borough.
- 1.2 Due to constrained investment from central government into new affordable housing in recent years, improvements to the existing housing stock and the delivery of new housing have not kept pace with demand, having a significant impact on many people in the borough, including the families on the waiting list for a decent and affordable home and those facing ever-rising private rents. These pressures have many different impacts on the lives of Lambeth residents – from the health and wellbeing of residents living in poor quality housing to the inability for local workers like teachers and nurses to live in a stable and affordable home near their place of work.
- 1.3 To meet our Borough Plan ambition to make Lambeth a place we can all call home, we know that we need to intervene much more to deliver the housing, including affordable housing, that local people need.

The Housing Delivery Test

- 1.4 In 2018, the government introduced a standard approach to measuring the delivery of completed homes, known as the Housing Delivery Test (HDT). This was introduced as a monitoring tool to demonstrate whether local areas are building enough homes to meet their housing needs. It is a percentage measurement of the number of homes delivered against Lambeth's housing target of 13,350 homes for the ten year period 2019/20 to 2028/29 (equating to 1,335 per year), as outlined in the London Plan (2021).
- 1.5 Under the National Planning Policy Framework (NPPF), the HDT '*measures net homes delivered in a local authority area against the homes required using national statistics and local authority data*'. Information is published annually by the Secretary of State of the results of each local authority's performance against the HDT. Figure 1 below provides the formula by which HDT is calculated.

Figure 1: Housing Delivery Test Calculation

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

- 1.6 Where delivery across a three year period falls below 100% of the target figure, various sanctions apply. These vary depending on the extent of under-delivery and are set out in the following table.



Table 1: Consequences of Under-Performance in Housing Delivery

Under Performance	Action Required	NPPF Reference
Below the 95% Threshold	Where delivery falls below 95% of the requirement over the previous three years, the local planning authority should prepare an action plan (this document) to assess the causes of under-delivery and identify actions to increase delivery in future years.	Para 79(a)
Below the 85% Threshold	Where delivery falls below 85% of the requirement over the previous three years, the authority should include a 'buffer of 20%' to their identified supply of specific deliverable sites as set out in paragraph 78 in the framework, in addition to the provision of an action plan to increase delivery in future years.	Para 79(b)
Below the 75% Threshold	Where delivery falls below 75% of the requirement over the previous three years, the presumption in favour of sustainable development applies, in addition to the requirement of the 20% buffer, and the provision of an action plan to increase delivery in future years.	Para 79(c) and footnote 8

2022/23 performance against the Housing Delivery Test

1.7 The Housing Delivery Test results for 2023, published in December 2024, indicated the following for Lambeth.

Table 2: 2022/23 Housing Delivery Test results for Lambeth

Year	2020/21	2021/22	2022/23	Total
No. of homes required	889	1,335	1,335	3,559
No. of homes delivered	1,417	712	496	2,624

1.8 Note that, for 2021/22, the housing target for Lambeth was revised down from 1,335 to 889 as a consequence of the Covid-19 pandemic and lockdown, which prohibited work on development sites to combat the spread of the pandemic. As part of the publication of the HDT results, the government stated that the number of homes required within the year 2019/20 had been reduced by a month and within the year 2020/21 by four months. The housing requirement for subsequent years reverted back to the London Plan housing target (1,335 net additional dpa).

1.9 In previous years Lambeth has been able to demonstrate housing delivery in excess of 100% of the HDT requirements. However, under the most recent HDT results, Lambeth delivered only 74% of its housing target in the three years between 2020-2023. Consequently, for the first time, Lambeth is now subject to the three sanctions as shown in the table above.

Context

1.10 Lambeth's housing delivery performance should not be considered as an outlier in London. As of 12 December 2024, several other boroughs fell below achieving delivery thresholds necessitating further action to enable housing delivery.

1.11 Notable measures of performance of other London boroughs include:



- 19 of 32 London boroughs fell below the 95% threshold, necessitating the publication of an Action Plan:
- 15 of 32 London boroughs fell below the 85% threshold, necessitating the publication of an Action Plan and also being subject to the 20% buffer:
- 11 of 32 London boroughs fell below the 75% threshold, necessitating the publication of an Action Plan, being subject to the 20% buffer, and also having an applied presumption in favour of sustainable development.

1.12 Notably, those boroughs now subject to sanctions are not geographically concentrated (i.e. within inner or outer London). While local challenges and context play a part in the barriers to housing development, the challenges apply across Greater London as a whole. This indicates larger and more widespread regional challenges inhibiting housing development that, as discussed later, fall outside of the general control of the council.

1.13 Despite recent underperformance, the borough has a total of 10,290 homes currently in the development pipeline. This indicates that, despite historic and ongoing challenges to housing delivery in the borough, Lambeth has permitted a significant amount of land for housing development in recent years.

1.14 This is the first time since the introduction of the HDT that Lambeth has been subject to sanctions. In 2022, Lambeth reported a HDT measurement of 98% for the period 2019/20 – 2021/22. Notably, Lambeth's HDT measurement of 136% between 2018/19 – 2020/21 represented the 7th best performing borough in London under the HDT.

Status of the Housing Delivery Test Action Plan

1.15 This HDT Action Plan identifies reasons for under-delivery, explores ways to reduce the risk of further under-delivery, and sets out measures and key actions that the authority intends to take to improve levels of housing delivery within the borough. It provides an overview of the challenges and opportunities relating to housing delivery.

1.16 The Action Plan is a corporate document which relates to how the planning service, working with other teams and directorates in the council as well as with external partners including the GLA and Registered Providers, aims to increase the delivery of new homes within the borough, and the sufficient supply of land to enable this. This document should be read alongside other corporate strategies and policies including:

- Lambeth's Housing Strategy 2024 – 2030
- Lambeth 2030: Our Future, Our Lambeth
- Lambeth Local Plan 2021
- Lambeth Site Allocations Development Plan Document (currently undergoing examination)
- Empty Homes and Voids Action Plan 2024-2030.

1.17 The Action Plan has been produced as a result of comprehensively reviewing housing target data, monitoring reports, and planning approvals/monitoring data, discussions with front line and senior stakeholders across council directorates, and assessing the macroeconomic and local challenges faced locally, regionally and nationally. All have contributed to ascertaining the root causes of housing under-delivery in Lambeth, and to developing ambitious, achievable, and cross-departmental key actions to increasing housing delivery within the borough.



SECTION 2: CHALLENGES TO HOUSING DELIVERY IN LAMBETH

2.1 Despite Lambeth's previous success in meeting both the HDT and 5-year housing land supply targets, various factors have reduced housing delivery against its target for the last three years, reflecting the current trends and factors affecting housing delivery not only within Lambeth, but throughout London and the UK. This has included developers seeing increased costs of borrowing and difficulties obtaining sufficient financing, changes to building and fire safety regulations, and an industry vulnerable to company insolvency, high costs and high inflation. This presents a challenging development environment that is largely outside the control of Lambeth in its efforts to bring forward housing delivery in the borough.

2.2 Factors influencing barriers to housing delivery can be divided into two categories:

- Lambeth-specific factors – these are factors that relate specifically to the context of Lambeth, and may explain why Lambeth has achieved a lower score in the Housing Delivery Test than some neighbouring boroughs.
- Wider economic challenges – these are factors in the broader economy and housing markets and regulatory changes in the built environment that impact the ability of developers and local authorities to deliver housing sites across all London boroughs.

Challenges within Lambeth

The challenge of developing within Lambeth

2.3 Lambeth is a densely-developed inner London borough with a very high number of heritage assets and a lack of easily developable brownfield land, all of which can contribute to delays in delivering new development.

2.4 Unlike some other inner London boroughs, Lambeth today does not contain many large, easily developable brownfield sites, such as former docklands or large former industrial sites. Brownfield land within Lambeth tends to be already actively occupied, either by industrial and employment uses or by existing housing. While there may be opportunities to redevelop and densify these sites (such as through estate renewal schemes), these are complex and sensitive projects which take a significant amount of time to come to fruition.

2.5 Where development is possible, the challenge of heritage impact often arises. There are six Grade I listed structures in Lambeth, some of which (Lambeth Palace and the Royal Festival Hall) are particularly significant in size and can be negatively impacted by development from some distance away. There are a further 55 Grade II* listed buildings in the borough, and parts of the borough sit directly opposite the Palace of Westminster and Westminster Abbey World Heritage Site. The density of heritage assets in and adjacent to Lambeth, and the high level of significance of some of those assets, can make development in parts of the borough more challenging than it would be in similar boroughs with less heritage significance. Areas of the borough that are centrally located and with high levels of public transport accessibility, and which would normally therefore be ideal locations for dense and tall developments, can find themselves constrained by the need to protect the borough's (and London's) heritage. Solutions can often be found to allow development to take place even in these challenging circumstances, but this takes



time – both to develop acceptable design solutions, and to have them approved. In parts of the borough adjacent to the World Heritage Site, there has often been a ‘three-stage planning process’, with first the borough, then the GLA and even the Secretary of State taking on determining powers in order to ensure that the level of heritage impact is appropriate. This inevitably creates delays in bringing development forward in some key locations.

- 2.6 Furthermore, even in parts of the borough where significant amounts of development can be brought forward, the very form of this development also leads to delays. The Vauxhall area, for instance, has seen the development of a new tall building cluster over the past ten years, with buildings up to 200 metres in height. This has created a significant amount of new housing, alongside new economic opportunities – but development of this scale takes a long time to plan, to permit, and to build. Where buildings of this scale are coming forward, it is vitally important that the local planning authority takes the time to properly scrutinise what is proposed and to work with developers to make beneficial changes to ensure that the final development protects quality of life, heritage, and the environment. Again, this takes time, and can lead to delays in delivery that are more significant than in boroughs where housing targets are met primarily through smaller-scale development.

Delivering on Council-Owned Sites

- 2.7 Lambeth is working on an ambitious programme of delivery on council-owned sites. As noted above, estate renewal is one of the few opportunities in Lambeth for significant redevelopment of brownfield land, and is therefore an opportunity to deliver a significant amount of the housing the borough needs. However, estate renewal is a complex and sensitive process, which requires significant engagement and consultation with residents, working with development partners to bring proposals forward, and ensuring that the necessary funding is in place. Where estate renewal schemes have been running for some time (as they have in some other London boroughs) they can begin to deliver considerable amounts of new and improved housing – but when proposals are at earlier stages, it can take some time before estate renewal projects are reflected in the housing delivery figures.
- 2.8 As part of the redirection of its local housing delivery programme, the council remains committed to the delivery of more than 600 affordable homes (and around 2,300 homes in total) on council-owned sites by 2030 through its New Homes Programme (NHP) – a figure which is annually reviewed for opportunities to increase it. Further details about this programme are found in Section 3 under proposed Action 1.

Delivery of Affordable Housing

- 2.9 In recent years, Lambeth has had a very positive record of delivering affordable housing through new development. In the years covered by the 2023 Housing Delivery Test (2020-23), while in the year 2020-21 only 12% of completions were affordable on eligible sites (that is, sites delivering 10 or more units, to which Lambeth’s affordable housing policy applies), in the following two years this increased to 41% and 44%. In 2023-24, this figure was 38% – a slight reduction, but still above the target of 35%. We have therefore had three consecutive years of affordable housing delivery above the target level, and at a significantly higher level than some of our neighbouring boroughs. As with the factors set out above, negotiating high levels of affordable housing also takes time, which can lead to some developments receiving permission at a slower pace than could be expected if the council were to simply accept a lower affordable housing offer. However, the council is aware that the need for affordable housing in



Lambeth is acute, and will therefore continue to push all new development proposals in the borough to provide the highest amount of affordable housing possible.

Site-specific challenges

- 2.10 Alongside these general challenges to development in Lambeth, some more site-specific factors have emerged in some instances.
- 2.11 Some sites with planning permission have not been implemented, with the majority of these being small sites. However there have also been instances of permissions on large sites lapsing. There are ongoing discussions relating to new applications on some of the sites. The number of lapsed sites is difficult to control as implementation is contingent upon the applicant undertaking the necessary delivery of pre- and post-commencement conditions. The council has only limited powers to intervene in the development of private sites.
- 2.12 Like other councils, Lambeth has experienced several permitted sites not being implemented owing to the developer submitting new applications, applications to amend existing permissions under Section 73 or to introduce non-material amendments under Section 96a. In some cases, these have been with the intention of increasing the amount of housing capacity on the site, or to deal with changes in fire regulations (discussed later in this section). These changes often result in delays to initial implementation or the delivery of later development phases. In some cases, developers have cited build out delays due to site specific complications including the decontamination of brownfield land.
- 2.13 A number of developments have been resolved for approval subject to Section 106 legal agreements, and in some cases, despite the council's best endeavours and more than a year after resolution to grant, the Section 106 agreement is yet to be completed.
- 2.14 Despite investor buy-in, there have also been instances in which regulators or development partners have placed restrictions on the use of particular funds towards development costs, resulting in the requirement for the applicant to seek additional funds and new investors in order to implement an extant planning permission. As with any procurement process, this has created additional delay and uncertainty in housing delivery. Other sites have been unable to build out their developments due to the lack of sufficient external funding required to undertake the necessary pre-development works to prepare the site for construction, which has in turn impacted the site's project feasibility and overall costs.

Longer-term monitoring

- 2.15 While the council accepts that delivery of new housing has been limited over the past three years, and that the 2023 Housing Delivery Test score is accurate, we also note that over a longer time period the council's record of housing delivery is robust. Lambeth consistently exceeded housing completion annual targets during the seven-year period before the current HDT window (April 2013 to March 2020). Total cumulative delivery over this period exceeded the cumulative targets by 331 units or 23%. The Housing Delivery Test looks at a very narrow three-year window and, as a consequence, can trigger the need for an action plan, a buffer on the five-year housing land supply, or even the 'tilted balance' in planning decision making due to a single year or two of under-delivery. It is important to consider the wider context and longer-term housing delivery when considering actions to improve housing delivery. The longer-term delivery figures suggest that, while delivery has been disappointing



in the past few years, this is not necessarily due to entrenched issues within the borough. The next sub-section will look at wider economic changes that may be contributing to a recent downturn in housing delivery across London.

Challenges in the Wider Economy

Impact of Covid 19 on the Delivery of Housing

2.16 The Government acknowledged that the Covid-19 pandemic would have a significant impact on the delivery of homes across England as a result of labour shortages, supply chain issues and uncertainty. In response to this, the Government reduced housing requirement targets for 2019/20 and 2020/21 as set out in section 1 above. These reductions reduced the housing requirement by a total of five months, reflecting a broad period when the planning and construction industry was not operating fully at the height of the pandemic.

Changes in National Safety Regulation and Policy

2.17 Developers have had to consider redesigning their proposals in response to the introduction of the second staircase rule, a response to the Grenfell Tower fire in 2017. The introduction of the rule, impacting buildings over 18m tall, has resulted in significant delays in the construction of thousands of new homes across London, with an estimated 38,000 homes being delayed while the sector awaited the introduction of the technical guidance which was finally published on 24 March 2024 (Fire Safety: Approved Document B).

2.18 Reports continue to indicate that, despite the provision of new staircase guidance, continued confusion around the implementation of the guidance has perpetuated development delays across London. In certain cases, developments over 18m have been required to redesign planning applications to meet the second staircase provisions, contributing to increased costs due to the delay in obtaining and implementing planning permission and further leading to a reduction of housing provision. This has also had an impact on schemes that had already acquired planning permission and were required to submit revised designs to demonstrate compliance with the second staircase requirement. For Lambeth, this has culminated in delay to c.578 homes being delivered within the 5-year housing delivery test period. Given the number of taller building proposals coming forward in Lambeth, it is likely that this issue will have an impact for some time now, as schemes that were in the early stages of development when the change was made will need to have been redesigned and may only now be coming forward even for pre-application discussions.

Delays from the Building Safety Regulator


2.19 The implementation of the Building Safety Regulator's Gateway process has also added complications and delays in the delivery of high-rise developments, while the industry is still adapting to the new regulatory framework. For example, while the normal period of assessment for a Safety Gateway Two application should take 12 weeks for a new 'higher-risk' building project, and 8 weeks for an existing high-risk project, instances of 24-28 weeks and 40-48 weeks have been recorded before findings of an investigation have been submitted to enable the continuation of the development process.



Challenges Facing Housing Association Development Pipelines

- 2.20 The economic and regulatory environment has led to increased challenges for housing associations to increase the housing delivery pipeline. While outside the HDT assessment period it is noteworthy that, in Q2 of 2024, housing associations started just 150 new homes in London, compared with 1,890 starts in Q2 of 2023. The 2024 figures represent a 92% reduction in housing starts and are the lowest number of starts registered by housing associations in the capital since records began in 1990 (Inside Housing, 2024). This change indicates the culmination of an ongoing process and is likely to continue for some time.
- 2.21 Through the council's own discussions with registered providers (RPs) we find that there has been a sustained reduction in the number of registered providers actively participating in the market to acquire s106 affordable homes. Some RPs report that homes delivered via s106 are perceived as having complex ownership arrangements and cited an emphasis on existing stock as a primary reason, which directly disrupts their capacity for new housing delivery, including s106 acquisitions. RPs have highlighted the problem of rising service charges for leaseholders. Concerns were raised in relation to the complex ownership arrangements with managing agents and freeholders, where there is limited control over services and costs passed on to residents. As a result, at least one RP has indicated a strategic shift away from s106 developments and onto more land-led activity, where they can exert greater control over development and costs.
- 2.22 The non-viability of new developments is understood to be due to the rent chargeable on social and affordable homes, increased operational costs, such as repairs, maintenance, and improvements, meeting new health and safety regulatory standards including fire safety standards, the 'decent homes' standard, and upgrading existing stock to meet the sector's decarbonisation goals (Local Government Association, 2023). Without additional grant funding to help meet development costs, this is likely to be an ongoing issue.

Challenges within the Construction Industry

- 2.23 London has been particularly impacted by the vulnerability of the construction industry leading to increased costs of development (materials and labour), delays and abandonment of projects, and subsequent insolvencies resulting in supply chain disruption. These have all significantly contributed to the under-delivery of housing.
- 2.24 The industry has also been hit by more than 4,000 company insolvencies in the 12 months leading up to the end of Q3 2023, constituting 18% of the UK's total insolvencies during that period (Administration List, 2024). This has led to disruption to construction supply chains, upward pressure on tender costs, and in some cases the termination or abandonment of developments altogether, all contributing to the delays in bringing forward new housing in the borough.
- 2.25 The cost of construction materials - steel, timber, concrete and glass – for all types of work has risen by circa 24% since 2020, with a predicted further rise of 15% in the following 3 years. These construction costs have a dramatic impact on the viability of developments with Lambeth, and thus in turn the provision of housing.
- 2.26 Labour costs have been considered the most significant cost driver for construction. In 2023, Knight Frank reported an increase in labour costs by nearly 10% compared to overall building costs. This is likely to impact on the overall viability and affordability of projects, in turn limiting the amount of housing that can be delivered.
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2.27 The combination of labour shortages, higher materials costs, increased insolvencies and building remediation issues, amongst other construction related factors including increased insurance costs and changes to tax regimes (Inside Housing, 2022) have all contributed to a 'perfect storm', especially for smaller contractors. This has created what has been described as a risk-averse environment for housing development. Results have included significant delays to project starts, increased costs affecting viability and thus reformulation of housing delivery and, in some cases, the mothballing of housing developments altogether.

Housing Market Factors

2.28 Fluctuations and vulnerabilities in the private housing market have had a significant detrimental effect on the bringing forward of sites. The following are considered the main concerns in the housing market inhibiting housing starts.

2.29 Reduction to Access of Development Finance: Developers have experienced significant pressures in obtaining affordable development finance, with the unaffordability of borrowing considered a critical hindrance of developers' ability to bring forward new housing applications.

2.30 Reductions and Stagnation of Grant Funding: Developers have cited that the reduction of grant funding in real cash terms, has resulted in the stagnation of affordable housing provision within the capital (G15, 2023).

2.31 Transition to 'More Profitable Sectors': London is also witnessing a shift of private developers away from the provision of traditional C3 housing, to growing sectors such as Purpose Build Student Accommodation (PBSA)¹, and Large-scale purpose-built shared living (co-living)². These are perceived to have greater profitability and lower risk than standard C3 housing. In the last two years, two PBSA schemes have been permitted in Lambeth and a further has gained a resolution to approve, with three further schemes awaiting determination and one more at pre-application stage.

2.32 The above housing market factors reflect turbulent and shifting market conditions which complicate and indeed inhibit Lambeth's ability to encourage further housing development in the borough due to factors outside of its immediate control.

Challenges with Small Sites

2.33 In order to achieve Lambeth's overall housing target, the 2017 Strategic Housing Land Availability Assessment (SHLAA) differentiates between delivery on large sites (those that are 0.25 ha in size or larger) and an assumed proportion of delivery on small sites (those that are smaller than 0.25 ha). The London Plan identifies the potential for 4,000 of the total 13,350 net additional dwellings required in Lambeth over the 10-year period to be delivered on small sites. This equates to an annual average of 400 net additional units being delivered on small sites.

2.34 The issues discussed above pose a particular challenge to smaller developers. Developers of small sites are usually less able to buffer additional costs and this has led to greater difficulties with the development of such sites. As a result, the

¹ "Purpose-Built Student Accommodation" (PBSA) – This is defined as housing dedicated, at least in term time, to full-time students. It may be new-build or converted from other uses. (Mayor of London, 2024)

² "Large-Scale Purpose-Built Shared Living" – Colloquially known as co-living, this is defined as a type of non-self-contained housing that is generally made up of at least 50 private individual rooms and communal spaces, and facilities (Mayor of London, 2024)



contribution of small sites towards overall housing delivery has been reduced.



SECTION 3: FUTURE ACTIONS TO HELP BOOST HOUSING DELIVERY

3.1 The council acknowledges that there are few interventions that can be introduced to 'force' housing delivery or make a meaningful intervention on matters that sit outside of the planning system's ability to influence. This section explores the options that do fall within the control of the council, in order to encourage and support housing delivery within the borough. To address this, key actions are devised for future implementation to encourage housing delivery performance in the borough. The key actions are aimed at creating a sustained and resilient system of housing delivery within the borough, structured around the themes of:

- Continuing to provide a value for money, proactive, and expert local planning service to enable the delivery of housing, from inception to final delivery
- Continuing strong collaborative working with internal service areas such as housing delivery, property, building control and finance
- Continuing to engage and lobby external partners to enable housing delivery
- Effectively utilising Lambeth's resources to generate new innovative mechanisms to enable the development of its own local authority housing delivery programmes, and incentives to enhance the attractiveness of development within the borough.

Proposed Action 1: Direct Delivery of Housing

3.2 Lambeth fully appreciates the part it can play in the direct delivery of housing in the borough and remains committed to undertaking action to deliver genuinely affordable and social housing for the borough's residents. While Lambeth has been subject to the same macro-economic vulnerabilities and shifts as all local authorities, the council has sought to diversify its approach to its direct delivery programme. Through the New Homes Programme (NHP), the council will continue to establish strong and effective partnerships with the private sector and Registered Provider partners, to support the delivery of affordable housing on council owned land in a challenging market.

3.3 The NHP aims to deliver affordable housing that is of high quality and value for money for residents, with the ambition of delivering at least 600 affordable homes across NHP sites (this target is reviewed annually for opportunities to increase it). This programme will provide new genuinely affordable housing as set out below, some of which have extant planning permissions. This includes the delivery of two estate renewal sites at South Lambeth Estate and The Westbury Estate, in which conditions have required a review of the masterplan to ensure the best value for residents and the council.

3.4 The council is committed to the NHP, which will facilitate the direct delivery (subject to funding) of affordable housing on council-owned land. It will also continue to work collaboratively with partners to maximise opportunities for affordable housing delivery. For further details on the programme, see the [2025/26 NHP Annual Report](#) which was approved by Cabinet on March 2025.

3.5 Resources such as PIL (payment in lieu) funding could be used for gap funding to enhance the quantum of development on sites, but there are restrictions that inhibit its use. The council is exploring how PIL can be used to support projects as part of delivering the NHP, in addition to other housing delivery projects across the Borough, to meet the borough's housing delivery goals. This may require a review of the Local



Plan before it can be fully progressed.

Proposed Action 2: Facilitating and Enabling Growth through Planning Policies

Local Plan Review

- 3.6 The current Lambeth Local Plan was adopted in 2021. Since the Local Plan was adopted, there have been significant changes to national planning policy which have implications for Lambeth's local planning policies.
- 3.7 The council intends to commence a review of the Local Plan in 2025/26, to respond to the new NPPF (2024) and recent planning reforms which include a significant step change in housing delivery. As part of this review the council will seek to identify additional housing capacity. A key part of this will be carrying out a 'call for sites' exercise. This will involve landowners, developers, and other interested parties being invited to put forward potential development sites for development of housing and other uses.
- 3.8 Reviewing the Local Plan will require new evidence on various subject matters including housing, employment, retail and community uses, and development viability. The production of new housing evidence will assist in identifying the types, tenure and sizes of houses needed in the future in Lambeth and guide the drafting of future planning policies. Overall, this will assist in guiding new housing to particular sites or areas and help to deliver the size, type and tenure of housing needed in the borough.
- 3.9 The Local Plan review also gives an opportunity to assess whether new innovative mechanisms to encourage housing delivery in the borough can be explored. The new Local Plan is expected to be one of the first in the country to be delivered under the new planning system put in place by the Levelling Up and Regeneration Act 2023, and this provides an opportunity for the council to push for particularly ambitious policies on housing delivery in line with the government's aspirations, and to look at new digital methods of engaging and involving the community in Local Plan production.

Adoption of the SADPD

- 3.10 The Site Allocations Development Plan Document (SADPD) includes site-specific policies for 13 development sites across the borough, including housing and mixed-use sites. It is currently undergoing examination and hearings were held in February and March 2025. A public consultation on main modifications is anticipated in summer 2025, with adoption of the SADPD anticipated in autumn/winter 2025.
- 3.11 Working alongside the rest of the development plan for Lambeth, the SADPD provides greater certainty around the delivery of housing on the allocated sites. Upon adoption, the SADPD will help deliver new homes for the borough, secure benefits for communities and improve the quality of places and the environment in Lambeth.

New London Plan

- 3.12 The council will engage fully with the GLA on preparation of the new London Plan. The London Plan will set out the borough's new housing target and the council will fully play



its part in delivery of the homes required for the borough. At the time of preparing this action plan, the council has very recently responded to the Towards a New London Plan consultation, which clearly set out the mayor's ambition to significantly increase housing delivery in London through densification, delivery on brownfield sites, and the potential opening up of green belt land for large-scale urban extensions. Lambeth is supportive of the mayor's approach, and will continue to work closely with the GLA to help bring forward a London Plan that can meet London's housing need in full.

Proposed Action 3: Partnership Working

- 3.13 The council will continue to proactively engage with registered providers (RPs), developers, investors and government departments to unlock funding, expertise and delivery capacity to enable more local authority-led house building.
- 3.14 The council will continue to liaise with developers to ensure affordable housing commitments, via s106 obligations, are realised through the council's established housing partnership with RPs. Building on this strong foundation, the council is broadening the partnership's focus to maximise the delivery of current s106 schemes with both developers and RPs. This includes ensuring that affordable homes are acquired by RPs, and making sure that nomination agreements are in place to enable households on the council's housing waiting list to be nominated into appropriate housing.
- 3.15 To achieve this, a new strategic and operational group is currently being created through the housing partnership. The strategic group will engage with active RPs and developers to explore new development opportunities that align with the council's long term housing goal of maximising housing delivery. The operational group will be responsible for tracking, unblocking and accelerating all live affordable housing schemes, ensuring their timely completion and maximising nominations for the council.
- 3.16 The council recognises that schemes can stall due a range of issues, such as those related to planning and building control challenges. To address this, the operational group will work with its partners, coordinating internal teams such as planning to resolve any obstacles and bring these important schemes to completion.
- 3.17 For 2025-26, the focus is on developing capacity and setting up the systems for this work. It is anticipated that by 2026-27, this coordinated approach will be firmly embedded as an ongoing and effective resource to ensure the number of completed homes is maximised. A dedicated lead is already in place overseeing this area of work.
- 3.18 The housing and planning teams, alongside teams including regeneration, property and finance, will continue to work collaboratively to identify ways to increase housing delivery, share best practice and engage early in the planning process. The Housing Delivery Board which consolidates departments, will continue to provide strategic oversight over housing delivery programmes.
- 3.19 While Lambeth maintains engagement with private developers throughout a development cycle, there may be a role for a new forum to ascertain the day-to-day challenges and experiences of private developers, and the barriers that may exist to delivery of housing in the borough. Such a forum could allow the council to create timely feedback loops highlighting market trends and challenges inhibiting housing development in the borough and provide fast responses to remove roadblocks as soon as possible.



Proposed Action 4: Supporting Small Site Development and Unlocking Empty Homes

- 3.20 It is proposed to undertake a call for sites for landowners within the borough, ideally as part of the Local Plan review. The council would publish details of the sites promoted as a means of highlighting to prospective developers the potential of sites that had not previously been identified. The council would act as a conduit between prospective developers and landowners to make it easier to establish relationships and partnerships. This could also provide an opportunity for the housing delivery team to identify opportunities to partner with landowners and small site developers through joint ventures, as already signposted as a strategy in the Lambeth Housing Strategy Plan.
- 3.21 Alongside the call for sites, the council will enhance the online resources and tools available to smaller developers that they can use in order to develop on small sites. This would include links to national funding and charities that can support small site developers, such as the GLA's Community-Led Housing London Hub.
- 3.22 The council will examine whether its approach towards the use of conditions on small sites is proportionate, and whether changes to the approach could enable the delivery of more housing. It is arguable that exercising certain conditions and standards in the same way for small sites as for volume housebuilders can act as a disincentive to small site developers to wish to invest and take the risk in developing small sites. Small site developers are usually less able to buffer the additional costs of developments with more arduous conditions, with delays in discharge of conditions leading to a risk of pulling out of delivery, since smaller developers will find it more difficult in financial terms to delay development on site while conditions are discharged. The council will also continue to offer a pre-application service to assist in guiding future residential and mixed-use developments prior to the submission of full or outline planning applications. This will further assist in the delivery of additional housing in the borough.
- 3.23 The council will take action to identify, monitor, and where possible invest in empty homes, especially where there exists the opportunity to expand the existing number of homes on site. As part of Lambeth's Housing Strategy, 'A Place We Can All Call Home', the council is committed to the better use of Lambeth's existing homes, not least taking advantage of opportunities resulting from continually empty homes. As of 2024, Lambeth had c. 2,024 homes considered 'empty', which represented 1.77% of the housing stock.



SECTION 4: MONITORING

- 4.1 The current HDT sanctions apply until the next set of HDT results are published by the government. At that stage the new results will determine what level of sanctions will apply to the borough. Effective and ongoing monitoring of housing delivery is therefore essential to the process.

Authority Monitoring Report

- 4.2 The council produces an Authority Monitoring Report (AMR) that sets out key information about the implementation of planning policies in the borough, including targets set out within the Local Plan and London Plan. The AMR also reports on the progress of the Local Plan and SPDs and the council's duty to cooperate activities. A number of 'development pipeline' reports including a detailed one on housing support the AMR. It is proposed to streamline the production and reporting of data and incorporate key housing data into the AMR which will ensure presentation of data is in one place. As part of improved monitoring, the council is looking to implement new systems such as Power BI as a means of expediting the research and publication of monitoring reports to ensure that data is ascertained at a quicker rate.

5-Year Housing Trajectory Assessment

- 4.3 The housing trajectory is updated annually and helps to ascertain current progress with development sites. Engagement with applicants, agents and landowners provides information about predicted commencement and completion dates and assists in determining the deliverability of sites that have outline planning permission or a resolution to approve but do not yet have a completed Section 106 agreement. The engagement process also helps to establish what progress has been made in relation to the submission of reserved matters. The work helps to determine how many years of deliverable housing sites the council has and will continue to inform the housing trajectory and Local Plan review in terms of future housing delivery.

Future Action Plans

- 4.4 Given the multiple challenges identified in this report towards the delivery of new housing, and the time taken to effect significant change to the levels of housing delivery, it is likely that the council will be required to produce further HDT Action Plans in future years. These plans will monitor the effectiveness of the proposed actions and refine and update them as necessary.

