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Date: 1st February 2021



Planning Policy Team
London Borough of Merton
Merton Civic Centre
London Road
Morden
SM4 5DX

By Email

Dear Sir/Madam

Merton New Local Plan 2020 Stage 2a Consultation (Regulation 18) Representations submitted on behalf of Criterion Capital

We are instructed by our client, Criterion Capital ('Criterion') to submit the enclosed representations to the London Borough of Merton (LB Merton), on the second-round consultation ("Stage 2a") of the LB Merton New Local Plan 2020-2035 (February 2020) Regulation 18 document.

Criterion welcomes the opportunity to work with the LB Merton as it undertakes consultation on its Draft Local Plan 2020-2035; and are supportive of the need for the Borough to prepare a new Local Plan given the change in national and regional policy guidance, and the significant investment that will arise in the Borough through strategic infrastructure interventions such as Crossrail 2.

The representations enclosed within this submission are made prior to the expiry of the consultation period at 5pm on 1st February 2021.

1 Criterion Capital's Development Objectives

Criterion recognises the following ambitions of LB Merton, and wishes to work with the authority to deliver the following recognised objectives for the Borough, as set out within the draft Local Plan (2020):

- Increased housing delivery, including genuinely affordable homes;
- Ensuing land optimisation and promotion of the most efficient use of land and buildings;
- Encouraging high quality, mixed-use developments with higher densities;
- Promoting the economy by supporting business and job creation, and supporting future job markets;
- Ensuring growth is sustainable and supported by infrastructure to meet the needs of the growing number of residents, works and visitors.

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Criterion own the land south of Britannia Point, known as 'Watercress Island' ('the Site'). The site comprises roughly a square shaped parcel of land (0.43ha), which is currently vacant land. It is therefore considered as a suitable and available brownfield site which can help meet the Council's objectives.

The site is subject to draft site allocation "*CW2 – Car Park South of Britannia Point, 125 High Street Colliers Wood, SW19 2JG*", as set out within Section 2 of this letter.

Criterion at Watercress Island can help achieve the Council's recognised objectives by delivering the following:

- More housing to meet LB Merton's aim of 13,263 additional homes for the period 2020/21 – 2034/35.
- A mix of uses, including substantial new homes (including affordable), employment and community uses;
- Significant increase in the number of jobs provided in the area.

Watercress Island is free of land ownership issues and has immediate residential development capacity. This site can help Merton meet its housing growth ambitions, and indeed, is fundamental to it. It will play a role in being a catalyst for housing growth within the immediate area, and borough.

This is particularly important as Merton Council is only just meeting its minimum housing delivery test as measured by the Government in January 2021 (103%). It also needs to be in conformity with the newly adopted London Plan (2021) which seeks to ensure that the potential of London's growth corridors; Opportunity Areas and town centres are maximised. Adopted Policy D3 clearly states that 'higher density developments should generally be promoted in locations that are well connected to jobs, services, infrastructure and amenities by public transport, walking and cycling, in accordance with Policy D2 Infrastructure requirements for sustainable densities. Where these locations have existing areas of high density buildings, expansion of the areas should be positively considered by Boroughs where appropriate'.

Table 2.1 of the London Plan defines Wimbledon/Colliers Wood/South Wimbledon as an Opportunity Area with scope for 5,000 homes and 6,000 jobs.

To date, Criterion have worked in collaboration with the LB Merton, the Greater London Authority (GLA), and Transport for London (TfL) throughout the recent preparation and submission of a planning application which seeks the redevelopment of the site for residential and non-residential uses which meets the above development objectives of the draft Local Plan: Stage 2a (2020).



Merton New Local Plan 2020: Stage 2a Consultation (Regulation 18)

Considering the existing policy direction within National Policy, and the adopted London Plan, we wish to make comment on the following policies within the draft Merton Local Plan Stage 2a (2020) document.

2 Colliers Wood: Policy N3.1

Criterion support Merton's approach (N3.1)(a) to treat Colliers Wood as a District Centre in the town centre hierarchy and to (c) redevelop single or two storey retail outlets to provide homes above shops, create new streets and public spaces and help make Colliers Wood easier to navigate and move around.

We agree at (para 3.1.10) that Colliers Wood already functions as a District Centre, containing a broad mix of store sizes and formats, a variety of town centre uses (shops, markets, restaurants, theatre, visitor attractions, public space, restaurants, library, etc.) and since the Connecting Colliers Wood investment is now well integrated into the surrounding area. We support the council proposing to treat Colliers Wood as a District Centre for planning purposes.

Criterion agree that Colliers Wood has excellent public transport and road links. Colliers Wood underground station and the frequent bus services give residents, visitors and workers a variety of travel options with excellent Public Transport Accessibility Level (PTAL). Colliers Wood is situated on the A24 road and is the start of the Mayor of London's Cycle Super Highway 7, an 8.5 mile cycle trail starting from Colliers Wood to the City of London. (paragraph 3.1.3).

Criterion support (at 3.1.18) the Council's recognition that Colliers Wood town centre may be an appropriate location to accommodate higher density development including tall buildings. We agree that Britannia Point should form part of a family of buildings of varying height, forming a coherent cluster. This can then form the basis for a coherent group of buildings that relate well to each other in terms of scale, massing, form and architecture. We recognise that new buildings must be designed, orientated and laid out within the site and within the context of nearby buildings and structures to mitigate the potential for uncomfortable wind conditions at ground level, which would particularly affect pedestrians and cyclists.

3 Site Allocation CW2 – Car Park South of Britannia Point, 125 High Street Colliers Wood, SW19 2JG

Site area:

Please note the site area is 0.43ha not, 0.26ha.

Allocation:



Criterion support the allocation of Watercress Island for the delivery of new homes as part of a mixed use development. Residential on upper floors with any of the following on the ground floor (financial and professional services, food and drink, office, assembly, health/day centre) or other sui generis use that is a suitable mix right for a town centre.

Design and accessibility guidance:

Criterion support the objective for development ‘to be of a scale, layout and design to minimise harm to the residential amenity of the existing residents in Britannia Point and on Christchurch Road, based on the principles of a family of buildings of varying height, forming a coherent cluster that enhances the wider Colliers Wood area’.

Please note the sentence ‘Development should optimise the use of the site and compliment the surrounding area, including the existing building at Britannia Point and the views from the Metropolitan Open Land’ appears twice in the text, albeit the second sentence refers to Wandle Park.

The site location:

Criterion support the Council’s recognition that the approach to tall buildings at CW2 recognises that mixed-use redevelopment within the site could include taller buildings subject to consideration of impacts on existing character, heritage and townscape and based on the principles of a family of buildings of varying height, forming a coherent cluster that enhances the wider Colliers Wood area. This approach complies with Policy Strategic Policy LP D5.1 (Tall Buildings) which explicitly states that proposals for tall buildings will be permitted only within Colliers Wood town centre where they are sized and appropriately located in accordance with the following criteria (iii). within Colliers Wood, as set out within the site allocation CW2.

Criterion propose the following amendment to Site Allocation CW2

- Criterion propose that the wording within ‘the approach to tall buildings’ should be amended to the following “a mixed-use redevelopment within the site ~~could~~ **identified for tall buildings under Policy D5.1** could include taller buildings...”



4 Policy H4.1 - Affordable Housing

Criterion supports the Fast Track / Threshold approach to affordable housing set out in the adopted London Plan (2021) and the GLA's Affordable Housing and Viability SPG (2017). Criterion agree that setting out a consistent, certain, and transparent approach to affordable housing for planning applications will accelerate planning decisions and therefore increase the delivery of market and affordable housing.

In its current form, draft Policy H4.1 makes no reference to the Fast-Track route and is not therefore in conformity with the adopted London Plan. It should be. In imposing its minimum requirement for 40% affordable housing at Part(f) it fails to refer to the need for flexibility or the policy being applied subject to viability testing. It does not incorporate any flexibility if the site is unable to deliver the minimum quantum of affordable housing.

The Fastrack approach is only briefly referred to in the narrative of the policy within supporting paragraphs 4.1.25 and 4.1.27. Paragraph 4.1.25 reads a little ambiguously, albeit does state that 'It should be noted that the 35% habitable rooms threshold is the Mayor of London's determinant as to whether an application should be accompanied by a viability appraisal and this will apply to GLA referable schemes. This is different from the Local Plan affordable housing provision requirement which is 40% - 50% affordable housing units depending on the scheme type. For non-GLA referable, to be eligible for the fast-track route, Merton's minimum 50% affordable housing unit threshold applies to public sector land and industrial land and 40% for all other sites and land'.

It therefore appears that the Council's policy is to apply the Mayoral Fastrack approach to Mayoral referable schemes. This is an important distinction and should be a policy objective set out in Policy H4.1, rather than in supporting text.

Policy H4.1(f) identifies a requirement for 70% of affordable housing to be delivered as low-cost rent (social rent, affordable rent). Paragraph 4.1.5 sets out its 'affordable rent' levels. The draft policy does not reference London Affordable Rent or London Living Rent, which whilst are affordable rent and intermediate products respectively, should be accounted for as there are different affordability constraints for each product (as set out within the London Plan).

The draft Local Plan states in Paragraph 4.1.7 that Affordable Home Ownership should be aligned to the affordability of the private rented sector. This approach is overly simplistic and contradicts draft London Plan guidance that intermediate homes should be provided for households at a range of incomes.



The GLA's Affordable Housing and Viability SPG states that 'LPAs and applicants should, ensure that intermediate housing provision is for households within the full range of incomes below the relevant upper limit, and provide a range of dwelling types in terms of a mix of unit sizes (measured by number of bedrooms).'

Criterion recommend the following amendment to H4.1:-

- **Policy H4.1** – confirmation that the Council will apply the adopted London Plan Fast-Track route for GLA referable schemes.
- **Policy H4.1(f)** – include reference to London Affordable Rent and London Living Rent as a low-cost rental product in accordance with draft London Plan guidance.
- **Paragraph 4.1.7** – include reference to the upper intermediate affordability threshold as set out in the London Plan AMR (currently £90,000).
- The method for calculating affordability should be included in the policy supporting text; i.e. housing cost (rent & service charge) should be no greater than 40% of net housing income.
- **Paragraph 4.1.26** – to be included in the main policy text: *'In seeking affordable housing provision, the council will have regard to site characteristics such as site size, site suitability and economics of provision such as financial viability issues and other planning contributions.'*

5 Policy H4.2 – Housing Provision

Criterion support Policy H4.2 objective of delivering of the Plan period (2020-2035) significant levels of housing. The Council plan to deliver 13,263 additional homes over this period. This should be to as being a minimum requirement as set out in the Secretary of State's direction (13th March 2020) to the London Plan.

Criterion recommend the following amendment to H4.2:-

- **Policy H4.2** – We will aim to deliver a "minimum requirement" of 13,263 additional homes for the period 2020/21 – 2034/35.

6 Policy H4.3 - Housing Mix

Draft Local Plan Policy H4.3 sets out a table for the Borough's approach to housing mix which includes an even split between 1, 2 and 3+ bed units (33% / 33% / 34%). The policy notes that the mix will be applied having regard to relevant factors and this flexibility is supported. However, in its current form it is not clear to what extent planning applications should reflect the table set out in the policy.



LP Policy H10 'Housing size mix' of the adopted London Plan (2021) states that schemes should generally consist of a range of unit sizes. To inform the mix, local evidence will be important as well as the need to deliver mixed and balanced communities. It is also necessary to deliver a range of unit types at different price points, and a range of tenures.

LP Policy H10 also states that it is necessary to consider the nature and location of the site, noting the following: *The nature and location of the site, with a higher proportion of one and two bed units generally more appropriate in locations which are closer to a town centre or station or with higher public transport access and connectivity.*

This is an important consideration for the Watercress Island site, given its highly accessible central location within Colliers Wood. LP Policy H10 also confirms that applicants and decision-makers should consider optimising housing potential on sites; and the role of one and two bed units in freeing up family housing when determining mix.

The London Plan 2017 Strategic Housing Market Assessment (SHMA) evidences that the greatest need for housing in the market, intermediate and low cost rented sector is for one bed homes (55%), followed by two bed homes (16%).

The provision of a greater number of one bed and two bed units rather than three beds is also necessary to deliver greater overall benefits in terms of provision of affordable housing.

As currently drafted, the housing mixed table proposed within Policy H4.3 (Housing Mix) is restrictive and inflexible.

Rather than including a restrictive borough level housing mix from the outset which over the lifetime of the plan may become outdated and unrepresentative of the borough's evolving needs, the housing mix table should be removed and instead replaced with policy direction for housing mix to be looked at on a site-by-site basis only; based on individual site circumstances; site location; identified local needs; and economics of provision such as financial viability & other planning contributions (as per supporting paragraph 4.3.14 of the draft Local Plan).

This approach is in line with the criteria set out in LP Policy H10 'Housing Size Mix'.

Criterion recommend the following amendment to Policy H4.3:-

- **Policy H4.3** – The housing mix table is inflexible; the policy wording should emphasize that planning applications will be assessed on a site-by-site basis only, based on individual site circumstances, site location, identified local needs, economics of provision such as financial viability and other planning contributions.



7 Policy H4.7 – Build to Rent

Policy H4.7 is wholly inconsistent with the NPPF (para 64(a)) and LP H11 Build to Rent and applies onerous and inflexible terms.

H4.7 (Part c) applies a minimum 3 years tenancy (with other obligations) which is not an acceptable approach for a Build to Rent product and results in inflexibility.

H4.7 (Part d) refers to a Build to Rent covenant for a minimum period of 30 years. This conflicts with the LP H11 which applies a timeframe of 15 years. There is no justification for this approach.

H4.7 (Part f) applies a 40% affordable housing provision comprising of a tenure of 100% London Living Rent (LLR). This is inconsistent with paragraph 4.1.25 of the Merton Local Plan which seeks to apply the Fastrack route for application referred to the Mayor. LP H11 also applies the Fast Track Route, and flexibility of affordable tenure. There is no justification for a 40% affordable approach with 100% LLR.

H4.7 (Part j) arbitrarily applies a viability review between the grant of planning permission and the time of the review, aimed where viable, at increasing the number and /or affordability of affordable homes irrespective of the affordable housing secured, or compliance with LP H11.

Criterion recommend the following amendment to Policy H4.7

- **Policy H4.7** – delete as the policy is unsound; does not conform with NPPF or London Plan policy on Build to Rent and is unjustified by evidence.
- Reword policy to ensure conformity with NPPF (para 64(a)) and LP H11 Build to Rent

8 Policy D5.1 - Tall Buildings

Criterion is supportive of the approach to allow tall buildings in the town centre of Colliers Wood, and the specific reference made within Policy D5.1 to Site Allocation CW2 as a suitable location for tall buildings.

Criterion therefore support the wording of Policy D5.1.

9 Policy T6.8 - Parking, Deliveries and Servicing

Criterion welcomes and supports criterion a) of Policy T6.8 which encourages more active and sustainable travel by stating that development should only provide the level of car parking necessary, taking into consideration the sites accessibility by public transport (PTAL) in accordance with London Plan parking standards.



Conclusion

Thank you for providing us with the opportunity to comment on the emerging draft Local Plan (Stage 2a). On behalf of Criterion, Quod reserves the right to add to or amend these representations. This may be required where the Council issues new guidance or there is a change in policy at a local, regional, or national level.

We would be grateful for confirmation of receipt of these representations. Please do not hesitate to contact us via the details at the head of this letter should you require any further information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil Wells', located below the 'Yours sincerely,' text.

Neil Wells
Senior Planner