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Dear Sir / Madam,

LONDON BOROUGH OF MERTON “STAGE 2A” DRAFT LOCAL PLAN CONSULTATION

COMMENTS ON BEHALF OF ESKMUIR GROUP

On behalf of our client, Eskmuir Group (“Eskmuir”), Savills is instructed to make representations on the “Stage 2A” Draft Local Plan (“DLP2”) consultation being undertaken by the London Borough of Merton (“LBM”).

These representations follow on from those made on behalf of Eskmuir at “Issues and Options” stage in January 2018 and again at “Draft” stage in November 2018. Eskmuir has also provided comments on the Future Wimbledon Masterplan (“FWM”) at “Consultation Draft” and “Final Draft” stages in January 2018 and November 2018 respectively.

Eskmuir Group, is an asset management and investment company with a track record of investing in and improving their existing assets. Eskmuir Group prides itself in active asset management, ensuring its real estate is of high quality and occupancy maximised to the benefit of local economies and communities.

Within LBM, Eskmuir is the owner of St George’s House which is located at 8-20 Worple Road & 20-26 St George’s Road, Wimbledon. The site’s current layout can be considered inefficient and Eskmuir has been looking at ways to rationalise and improve the site layout through appropriate redevelopment with potential end uses being offices or residential.

Given Eskmuir’s ownership and in light of the comments that Eskmuir has made in response to previous consultations, these comments relate to only some and not all of the chapters within the DLP and in most cases relate to only one or two policies within a chapter. Comments are made on the following policies:

- Policy CC8.11 (Minimising Greenhouse Gas Emissions)
- Policy EC7.2 (Business Locations in Merton);
- Policy TC7.5 (Merton’s Town Centres and Neighbourhood Parades);
- Policy No. H4.1 (Housing Choice);
- Policy No. H4.7 (Build to Rent);
- Strategic Policy LP D5.1 (Placemaking and Design);
- Policy D5.2 (Urban Design and Public Art); and
- Site Wi13 (8-20 Worple Road & 20-26 St George’s Road in Wimbledon, SW19 4DD).

The cover letter is structured to comment on relevant policies in the order that they are presented on the LBM’s website. For completeness, Eskmuir’s responses have also been copied onto and submitted in response to the

relevant question on the LBM's online response system. Eskmuir does, however, reserve its position to comment on other aspects of emerging policy as may be required in the future.

Chapter 10 (Climate Change)

This chapter relates to climate change and the requirement for development to be designed in a way which responds positively to the challenge of climate change.

Policy CC8.11 (Minimising Greenhouse Gas Emissions)

This policy requires new development to reduce energy demand and respond to the Intend to Publish London Plan's (December 2019) requirements for development to "be lean, be clean, be green, and be seen". Next, the policy sets a requirement for certain forms of development to incorporate minimum on-site levels of carbon dioxide reduction. For proposals for in excess of 10 homes a 60% reduction beyond building regulations is required whilst for proposals for in excess of 500sqm of commercial floorspace a 50% reduction beyond building regulations is required.

It is notable that the reductions set out in Policy CC8.11 (Minimising Greenhouse Gas Emissions) go beyond those set out in Policy SI 2 (Minimising Greenhouse Gas Emissions) of the Intend to Publish London Plan which set a minimum requirement for major developments to deliver a 35% reduction beyond building regulations. LBM's desire to see onsite energy reduction exceed the provisions of the Intend to Publish London Plan is understood, but the targets set in the Intend to Publish London Plan are an evidenced and uniform approach for the entirety Greater London and are therefore considered to be robust. Eskmuir therefore suggest that Policy CC8.11 should be amended to reflect the Intend to Publish London Plan's requirement of a 35% reduction whilst encouraging development to exceed this requirement. Whilst looking to enforce more stringent thresholds than set in the Intend to Publish London Plan, consideration should be given to the impact on development feasibility whereby the cost of reaching the more exacting standards could undermine the viability of developing in Wimbledon leading developers and investors to prioritise investment in other London Boroughs.

Chapter 11 (Economy and Town Centres)

This chapter relates to economic development within the LBM and covers matters relating to conventional employment uses (the 'EC' policies) as well as town centres and retailing (the 'TC' policies). It comprises strategic level policies as well as policies with a more detailed development management function. It is of relevance to Eskmuir given that the upper floors of the St George's House are occupied as offices and because, if the building is redeveloped, office floorspace may be incorporated.

Policy EC7.2 (Business Locations in Merton)

The approach taken in this policy is to consider business locations more generally within LBM before considering offices and industrial uses in turn. From the policy text it appears that the policy relates to all existing offices within designated centres as well as, for industrial uses, those Strategic Industrial Locations as designated in the London Plan. It is recommend that this is clarified within the policy wording for the avoidance of doubt.

The first part of the policy states that existing employment land and floorspace will be retained. Given that criteria for the alternative use of employment land is provided in subsequent parts of this policy, specifically in connection to offices and industrial units, Eskmuir suggest that the first part of the policy needs to be qualified to state that alternative uses will be permitted subject to tests set out elsewhere within the DLP2.

Part G of the policy states that proposals for the change of use from offices to residential within designated centres will only be supported where 30 months of marketing are provided. There are two key points that Eskmuir wish to make here.

Firstly, the requirement to provide marketing evidence for a total of 30 months is considered to be unduly onerous and could result in both long-term vacancies, which could otherwise have been avoided, and the

general deterioration of any area that is subject to long term voids (vandalism, anti-social behaviour, crime, and falls in inward investment). In that sense, such an approach is considered to be contrary to Paragraph 6.1.7 of the Intend to Publish London Plan (in connection to Policy E1 Offices) which states that, where such a marketing test is used to manage proposals for the alternative use of office floorspace, a minimum of 12 months of marketing evidence should be provided. Whilst requiring a 30 month period of marketing is in itself not contrary to this guidance (being above the minimum) it is significantly higher than that of the Intend to Publish London Plan and other authorities who typically require between six and 18 months of marketing. Paragraph 81d of the National Planning Policy Framework (February 2019) requires that policies that are in place to manage the alternative use of office floorspace are:

“flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.”

The requirement to provide 30 months of marketing evidence is not considered to be sufficiently responsive to changes to flexible working practices and changes to economic circumstances, particularly at present where the COVID-19 pandemic is expected to have an effect on working practices and the requirement for office floorspace. If such a policy test is to be used, then it is considered that the marketing period should be reduced from 30 months to align to the 12 months required in the Intend to Publish London Plan. Furthermore, the policy wording or supporting text should recognise that short-term leases arranged to ensure occupation of the floorspace (often at lower than market rates but as a means to mitigate the risks associated with empty properties) should not ‘reset’ the marketing period.

Secondly, it is considered that additional criteria should be added to Policy EC7.2 which, if satisfied instead, should permit the change of use from offices to residential. Such criteria could allow for the alternative use of offices if an applicant can demonstrate that employment use on the site would no longer be viable or that the loss of the office space would not adversely affect the supply of employment opportunities in the context of LBM as a whole. This is encouraged in Paragraph 6.1.7 of the Intend to Publish London Plan which makes reference to the need to consider “evidence to demonstrate surplus office space” which “should include strategic and local assessments of demand and supply”. Such an approach will mean that decisions with regards to the alternative use of offices will be more nuanced and in the context of the market as a whole rather than a specific arbitrary period of vacancy for an individual building.

Such an approach will allow applications for alternative use of offices to be treated on their merits and will play a role in preventing the long-term vacancy of offices where there is no reasonable prospect of a site being used for such purposes.

Policy TC7.5 (Merton’s Town Centres and Neighbourhood Parades)

Contrary to the approach taken in the “Final Draft” version of the Local Plan which was subject to consultation in the second half of 2018, in the DLP2 both frontages of St George’s House are shown as being included within Wimbledon’s “Primary Shopping Area”.

An extensive justification for why the St George’s House frontage onto Worple Road should be excluded from the Primary Shopping Area is included within Eskmuir’s representation at Issues and Options stage (January 2018) and this requires reconsideration by the LBM. Nevertheless, the key points raised in that representation are as follows:

- The main retail pitch is clearly at Wimbledon Hill Road and The Broadway as well as Queen’s Road to the southeast. At these locations there is highest concentration of Class E uses¹, particularly Class E(a) uses;
- Wimbledon Station and existing car parking facilities are located to the east of the site and northwest of the central part of the PSA and accordingly visitors arriving to Wimbledon by one of these means would move south-eastwards towards the central part of the PSA but not northwards towards Worple Road; and

¹ Town and Country Planning (Use Classes) Order 1987 (as amended)

- Buildings surrounding and opposite St George's House are predominantly in use as offices and therefore St George's house feels very much separated that 1-8 The Pavement and the Elys Department Store which are visually prominent and have a strong relationship with Wimbledon Hill Road which forms part of Wimbledon's prime retail pitch.

Further, from the Proposals Map it appears that the St George's Road frontage of the building is now included within the PSA. Annex 2 of the NPPF provides a clear definition of the PSA, stating that it is the "*defined area where retail development is concentrated*". Given that the site's frontage onto St George's Road provides the entrance into the supermarket's service yard and that the majority of other building's fronting onto St George's Road are offices and not retail uses, inclusion within the PSA is clearly contrary to the NPPF and therefore the site should be removed from the PSA in its entirety.

Chapter 14 (Housing Provision)

This chapter relates to housing provision within the LBM and is considered relevant to Eskmuir given the need to maintain flexibility on end uses that could be delivered through the redevelopment of St George's House, which could comprise or include residential land uses.

Policy No. H4.1 (Housing Choice)

Whilst the scope of this policy is broad, it includes details with regards to the expectations on the provision of affordable housing, requiring that, for proposals for more than 10 units on privately owned land, at least 40% of homes must be affordable. To inform this, LBM commissioned BNP Paribas Real Estate to prepare a Housing Viability Study (August 2020) which assessed the viability of various affordable housing percentage requirements. It concluded that requirements to provide anywhere between 35% and 50% were likely to be viable albeit that, due to the inherent differing costs associated with delivering different sites, there is a requirement to ensure that the policy approach allows for flexibility based on robust site-specific viability work. It appears that there is no justification for the use of a 40% requirement other than that it was used in the adopted Local Plan and therefore it is considered that the 35% requirement that is set in Policy H5 (Threshold Approach to Applications) of the Intend to Publish London Plan should be used. Even when a requirement is set in policy, this must remain subject to viability on a site by site basis.

Policy No. H4.7 (Build to Rent)

This policy relates specifically to build to rent housing and sets a series of policy requirements as to how this tenure of housing should be delivered and operate once built. Whilst the re-developed St George's House may incorporate elements of residential uses on its upper floors, the tenure of any residential element is yet to be determined but could be private rental sector. It is notable that the requirements with regards to the length of covenant and tenancy length differ to those set in Policy H11 (Build to Rent) of the Intend to Publish London Plan. The policy's subtext does not provide adequate justification for such a diversion and as such it is considered that the requirement contained in the Intend to Publish London Plan should be reflected within DLP2.

Chapter 16 Places and Spaces in a Growing Borough

This section of the DLP2 contains policies relating to design generally across LBM and, for many policies, reflects the provisions of the Intend to Publish London Plan.

Strategic Policy LP D5.1 (Placemaking and Design)

This policy is a general design and placemaking policy that includes more detailed guidance relating to public realm and tall buildings. Eskmuir commented on this policy at Draft stage in November 2018, stressing the need for greater clarity as to what constitutes a tall building and seeking clarity on one of the criteria which must be satisfied for tall buildings to be acceptable. Since the consultation on the DLP a Direction from Secretary of State for Housing, Communities and Local Government in December 2020 towards the Intend to Publish

London plan has provided clarity on what constitutes a tall building (being anything over six storeys or where height is in excess of 18m) whilst also requiring London Borough's to identify areas suitable for tall buildings.

As a starting point, Eskmuir welcome the revisions to the wording of the policy to recognise the suitability of Wimbledon Town Centre for tall buildings and reference is made to the FWM which provides more detail about building heights. That said, Policy LP D5.1 continues to include criteria for which tall buildings will be assessed to determine their acceptability. Whilst Eskmuir do not suggest that these criteria have been put in place to be intentionally prohibitive, criterion v, the requirement for design to be "exceptional", and criterion viii, the requirement to provide high quality and usable public space, if applied rigidly, could have that unintended consequence. Whilst LBM's desire to deliver high quality design is understandable, such requirements should not be at the expense of delivering viable tall buildings that meet the FWM aspirations. Likewise, there are practicality concerns about how publically accessible open space can be provided on-site where the aspiration is for high density developments through tall buildings with small footprints and on privately owned sites. Eskmuir's site, for example, consists of just the building itself and no land either side and so it would not be practical to provide publicly accessible open space at ground floor level without reducing significantly the footprint of any building, something that would compromise the most efficient use of the site being achieved and would likely impact upon the viability of redevelopment. Eskmuir therefore recommend that such a requirement is worded to recognise there will be cases where provision is not possible (as suitably evidenced) and therefore the requirement to provide public open space is only appropriate in certain circumstances.

Policy D5.2 (Urban Design and Public Realm)

This policy is much like Policy LP D5.1 in that it seeks to promote high quality urban design though it is noticeable that its focus is more on public realm and legibility. Once again, the policy is fairly general and uncontentious but Eskmuir has concerns with two aspects.

Criteria A, B, E and F reflect the approach that runs prominently through the FWM, by seeking to encourage permeability and public linkages. However, Eskmuir contend that such prescriptive design matters are not appropriate to be written into development plan policy documents. There is no apparent evidence base provided to support the DLP2 in this regard and therefore the requirement for such linkages to be set out in policy is neither necessary nor reasonable. Any pedestrian linkages created through the block are likely to be at ground floor level only and covered by upper floors, raising questions as to whether these 'tunnels' will actually serve their intended purpose or instead result in poor design which encourages crime and anti-social behaviour. Hence, the difficulty in specifying such prescriptive design requirements within policy which suggests such references must be removed entirely and instead discussed during detailed design stage of any subsequent planning application.

In addition, a realistic and practical approach needs to be adopted, recognising that in many instances urban blocks are under multiple ownerships (freehold, long-leasehold, leasehold etc.) and therefore the delivery of permeable pedestrian links may not be possible if such sites come forward independently from one another. The block bound by Worple Road and St George's Road is a good example of this. LBM's aspiration to deliver linkages between these two roads is shown on the FWM (see, for example, page 33) but the block consists of a number of existing buildings under different ownership. Whilst public linkages may be achievable if the entire block is redeveloped comprehensively in a planned way, it is unrealistic for LBM to expect the delivery of linkages through this block if buildings are redeveloped in isolation and in a piecemeal fashion as fundamentally this will reduce the extent of the developable area of one of the individual freehold owners, to the detriment of viability of redevelopment schemes.

Eskmuir's second point is to ensure that the aspiration to deliver mixed use developments in town centres as set out in Principle H is applied with flexibility and discretion as fundamentally there are occasions and sites where, for reasons relating to operational management, effectiveness and viability, a single use is most appropriate with a mixed-use development not viable or desirable.

Site Wi13 (8-20 Worple Road & 20-26 St George's Road in Wimbledon, SW19 4DD)

For each site, the DLP2 provides a brief description of the site, list of uses that are suitable, indication of timescales for delivery, guidance on how the site should be developed, and then a brief checklist of the site against various criteria and constraints.

Eskmuir welcome the continued inclusion of St George's House as an allocation within the DLP2 and the support that it offers for the site's redevelopment. That said, to ensure that the policy operates effectively and so as to encourage redevelopment, it requires a series of amendments which can be split into those which relate to the "Site Allocation" (i.e. the range of acceptable uses) and the "Design and Accessibility Guidance" (i.e. how the development should come forward) sections.

Site Allocation

This section of the policy relates to the range of uses that the site could accommodate. The approach taken is to identify that the site could accommodate "a mix town centre types uses" before going on to list a number of uses and note that the site could deliver "residential on upper floors to enable commercial led development".

Eskmuir is considering a range of different configurations for the redevelopment of the site incorporating various combinations of uses across the site. Having a flexible allocation that would permit a broad range of uses is therefore important for Eskmuir and so it is suggested that this is reflected by simply stating that "a mix of town centre and residential (Class C) uses" could be acceptable. Given that the site is located within Wimbledon Town Centre, such an approach would reflect the approach taken in the NPPF of allowing for "Main town centre uses" (as defined in Annex 2) within designated centres.

Design and Accessibility Guidance

Each allocation is supported by a section which provides design and accessibility guidance for each site that is proposed to be allocated within DLP2. Eskmuir previously provided commentary on these criteria in the consultation on the Final Draft and it is positive to see that the DLP2 now reflects some of these comments but there remain two points of concern for Eskmuir as set out below.

Firstly, Policy Wi13 sets a requirement for the proposals to deliver an active frontage onto Worple Road and St George's Road. At present the site's frontage onto St George's Road provides the entrance into the supermarket's service yard. Given the desire to retain a supermarket at ground floor level and rationalise the site, it is anticipated that car parking and space for servicing will be underground meaning there will be a requirement to provide a vehicular entrance and exit at one of these elevations (most likely the St George's Road Elevation). The requirement to provide active frontages on both elevations is therefore unlikely to be practical and it is considered that the policy wording should reflect that an active frontage onto only one of these roads is likely to be deliverable. The unsuitability of including either of these frontages within the PSA, from which the requirement to provide active frontages comes from, is set out in connection to Policy TC7.5 (Merton's Town Centres and Neighbourhood Parades).

Secondly, Policy Wi13 continues to make reference to the need for the redevelopment of the site to break up the block by providing a pedestrian linkage between Worple Road and St George's Road. A total of 13 allocations are proposed to be made in Wimbledon and it is only for this site that the requirement to provide a pedestrian linkage is included within the policy wording. No such reference to the requirement to deliver such a link is made in connection to other sites allocated within this urban block, including for site Wi9 which is under the ownership of LBM. In that sense, the approach taken by the LBM in Site Wi13 appears to be arbitrarily punitive to Eskmuir and therefore would appear to fail the tests of soundness relating to being positively prepared, justified and effective. The effect of this imposition will have series detrimental impacts of the extent of the site that is developable and will be detrimental to the scheme's viability and deliverability. As stated previously, the provision of pedestrian connections which reduce developable area will not be possible if the sites are developed in isolation and so such linkages should be delivered on publically owned land and not set out in policy.

Conclusion

These comments are made on behalf of Eskmuir as owner of the building located at 8-20 Worple Road & 20-26 St George's Road and therefore a significant stakeholder within Wimbledon Town Centre. Whilst Eskmuir continue to support the allocation of St George's House, Eskmuir consider that the wording of the policy supporting its allocation needs careful refinement to ensure the delivery of the most appropriate form of redevelopment in the future. The response also provides commentary on policies relating to housing, employment uses, design, and climate change.

I trust these observations and comments are helpful and will be taken into consideration. Once again, Eskmuir reserves its position to provide further comment in due course as may be necessary. Should any of the points raised within these representations need clarification please do not hesitate to contact myself.

Yours faithfully,

A handwritten signature in blue ink that reads "N. Heard".

Nick Heard
Senior Planner