

Stage 2 Examination of the Merton Local Plan

Hearing Statement in relation to

Matter 3 – Housing Supply and Mix;

Matter 4 – Tall Buildings;

Submitted on behalf of CBRE Investment Management

(Examination ID No 9)

34-44 London Road, Morden

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1. Background Context & Outstanding Issues

- 1.1 CBRE Investment Management (**'CBRE IM'**) – formally CBRE Global Investors – act on behalf of their client, the Verity Trustees Ltd, which owns the freehold of land at 34-44 London Road, Morden (**'the Property'**). The Property is currently occupied by a Sainsburys foodstore, with offices above, and is approximately 0.37 hectares in area.
- 1.2 On behalf of CBRE IM, a representation was submitted to the Merton New Local Plan Stage 3 Publication on 6 September 2021 by tp Bennett and RPS (**'the Representation'**).
- 1.3 The Representation sought the allocation of the Property for a high density, residential led mixed use development, as described in Appendix 2 (to the Representation) and as illustrated by the indicative masterplan provided at Section 3 (of the Representation). On this basis, changes were sought to Morden Policy N5.1 and Site Allocation M04 as set out in Appendix 3 to the Representation, in order to make the plan sound.
- 1.4 Following receipt of the Representation, officers at the London Borough of Merton entered into negotiations with CBRE IM and their consultants, with a view to seeking to resolve the issues raised.
- 1.5 These negotiations resulted in a Statement of Common Ground which was submitted by the London Borough of Merton on 20 May 2022 and this is provided in **Appendix 1**.
- 1.6 The proposed main modifications now accept that the Property is a large site within the Morden Regeneration Zone, and a suitable site on which significant, independent development could be brought forward as part of the wider regeneration of Morden Town Centre. However, there are still changes that CBRE IM considered necessary in order to make the plan sound, and these changes were identified in the Stage 1 Hearing Statement submitted by CBRE IM and subsequently by a summary statement of areas of agreement and outstanding issues which were verbally made at the Stage 1 Examination (**'the Stage 1 Summary Hearing Statement'**) provided at **Appendix 2**.
- 1.7 This representation (**'the Stage 2 Hearing Statement'**) builds on these outstanding matters as previously raised, which CBRE IM consider are necessary in order to make the plan sound. The Stage 2 Hearing Statement addresses:

Matter 3 – Housing Supply and Mix;

Matter 4 – Tall Buildings
- 1.8 In particular, following the recognition by the Council that the Property is a large site suitable for independent development as part of the wider, comprehensive regeneration of Morden Town Centre, it is the position of CBRE IM that there should be explicit policy support for the delivery of a tall building on the Property. That is, the plan should not restrict development of the Property to 12 storeys in height, as currently appears to be the case.

2. Matter 3- Housing Mix and Supply

- 2.1 In the context of Matter 3, CBRE IM note that the Examination is concerned with a number of discrete issues, including the following:

Issue (i): Does the plan identify a supply of specific, deliverable sites for the five years from anticipated adoption; and does it identify specific, developable sites or broad locations for growth for years 6 to 10 and, where possible for years 11 to 15?

- 2.2 CBRE IM further notes that in this context the Examination raises Question 2: ‘Developable sites or broad locations’:

Taking into account the definition of ‘developable’ given in the glossary of the Framework:

a. Does the plan contain specific developable sites for years 6 to 10 from adoption?

b. Does the Plan include specific, developable sites for years 11 to 15 from adoption?

- 2.3 As regards the question of whether or not a site is properly considered to be ‘developable’ for the purposes of the NPPF, the Framework’s glossary states that

To be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged.

- 2.4 CBRE IM welcomes the inclusion of the Property as a “large site” within the Morden Regeneration Zone the development of which can contribute the comprehensive regeneration of Morden Town Centre.

- 2.5 CBRE IM further considers that Property should be considered as a “developable” site either within the ‘Year 6-10’ period or else at least within the ‘Year 11-15’ period because:

- The Property is suitable for housing development given its highly sustainable location within Morden Town Centre and the fact that it can optimise the delivery of much needed new homes and in so doing act as catalyst for the wider regeneration of Morden Town Centre.
- There is a reasonable prospect of the site being available in one or other time period given that
 - The freehold of the site is in a single ownership;
 - The single owner of that freehold is keen to pursue redevelopment;
 - There are reasonable prospects of negotiations being successfully negotiated with existing tenants to enable viable redevelopment of the site within the period of Years 6-10. and
 - Even in the event of such negotiations not proving successful, the leases for those tenants will have expired within the period of Years 11-15.

3. Matter 4 – Tall Buildings

- 3.1 CBRE IM note this session will take forward the discussions held at Stage 1 focusing particularly on the material to be produced by the Council following the Inspectors' directions, in the context of the following issue.

Issue (i): Is the Plan's approach to tall buildings grounded in an understanding and evaluation of each area's defining characteristics, in general conformity with the London Plan, and are the Plan's policies relating to tall buildings effective?

- 3.2 CBRE IM must reserve its position pending an opportunity to consider the further materials to be produced by the Council in connection with Questions 1-4 posed by the Inspector in respect of this Issue. However, at this stage CBRE IM re-iterates its objections to the "Tall building cluster" within the strategic heights diagram boundary and supporting text in the submitted plan as proposed to be modified –LB105 dated 22 May – page 182.

- 3.3 In summary the strategic diagram:

- identifies an area of land as represented by a red dotted line as suitable for a "Tall building cluster" with heights of up to 71m (approx. up to 22 storeys).
- identifies the remainder of land within the Morden Regeneration Zone as being subject to a height range of up to 39m (approx. up to 12 storeys).

- 3.4 In so doing, the strategic heights diagram "tall building cluster" excludes (the majority of) the Property from the taller building cluster and so precludes development of more than 12 storeys.

- 3.5 CBRE IM considers that the Strategic Height Diagram's tall building cluster boundary appears to be derived from the 2019 Morden Strategic Development Framework (MSDF) report undertaken by Hawkins Brown. It is critical that in undertaking the Strategic Development Framework, the consultants assumed that "comprehensive regeneration" of Morden Town Centre would only be based upon one comprehensive scheme requiring land assembly (and therefore, necessarily, compulsory purchase) and the comprehensive development scheme would be led by an appointed developer made on behalf of TfL/London Borough of Merton. This is evidenced in Appendix 3 to this representation.

- 3.6 However the Local Planning Authority now accept that this is no longer the case, and the new paragraph on page 194, copied below, now recognises the role that large sites have in contribution to comprehensive regeneration of Morden Town Centre, including the Property.

"There are large sites that could come forward with development proposals during the lifetime of this Local Plan that can help to achieve the comprehensive regeneration of Site Mo1. Unlike smaller sites, large sites (of 0.25 hectares or more) are of a size that can optimise capacity for Town Centre Type Uses, new homes, and support improvements to the public realm and local infrastructure in line with the requirements in this policy"

- 3.7 CBRE IM also note on page 184 of the modified plan a new paragraph is proposed which states that:

*"The vision, objectives and principles set out in the SDF should be used to **inform** development proposals for large sites (0.25 hectares and above) that come forward to contribute to the delivery of comprehensive regeneration, as stated in Policy N5.1 part a., above.*

- 3.8 However, the Strategic Height Diagram's tall building cluster makes it a planning policy requirement that buildings of over 12 storeys can only be developed within the boundary of the Strategic Heights Diagram – even where large sites can contribute to the delivery of comprehensive regeneration.
- 3.9 CBRE IM consider that there is a contradiction in planning policy and the plan as submitted places unnecessary restrictions on large sites – such as the Property – precluding them from delivering developments of over 12 storeys which can optimise their contribution to comprehensive regeneration of Morden Town Centre.

Effectiveness Assessment

- 3.10 CBRE IM wish to re-iterate their objections to the continued inclusion of a tall building cluster as identified in the Strategic Heights Diagram and policy within the Morden Regeneration Zone, and consider that the submitted plan is still not effective because:

A: Existing planning policy contained in the March 2014 adopted Morden Station Planning Brief identifies the location of the Property as being a “suitable landmark location”

- 3.11 CBRE IM consider that this stated policy position still remains appropriate; there has been no material change in circumstances warranting the ‘de-selection’ of the Property from being a suitable landmark location. On the contrary, being a large site within the Morden Regeneration Zone, in a highly accessible location with close proximity to the Morden Underground Station and being in a single ownership the site is a suitable landmark location for a landmark town centre development.
- 3.12 In the Representation of September 2021 CBRE IM provided evidence in section 3 as to why the Property is a suitable location for a tall – 20 storey – building; indeed, for a landmark building which can accommodate around 200 residential units. In this regard CBRE IM provided an illustrative masterplan which demonstrates that the site is well suited for a landmark development which meets both the London Plan and the Morden Policy objectives as given in paragraphs 5.1.14; 5.1.31; 5.1.32; 5.1.33
- 3.13 Restricting the height of the landmark development to only 12 storeys would unnecessarily undermine the plan’s objectives of optimising residential development within the Morden Regeneration Zone.

B. The basis for the Morden strategic heights diagram “tall building cluster” is based upon the Morden Strategic Development Framework of 2019 (Examination reference document 5D1) and the Morden Town Centre Visual Impact Assessment (Examination reference document 5D3) and Heritage Assessments of 2020 (Examination reference document 5D2).

- 3.14 However, the Morden Strategic Framework is now recognised by a new paragraph in the modified plan as being suitable only to “inform”, so that it should no longer be a prescriptive development plan policy requirement.
- 3.15 Whilst this is a welcome development, CBRE IM still note that:
- The Morden Strategic Development Framework (MSDF) is not adopted Supplementary Planning Guidance.
 - As highlighted in Appendix 3, (pages 2 and 4 of the MSDF) the MSDF is only a high-level document and to be used to inform development proposals that may come forward on large sites within the Morden Regeneration Zone.
 - Critically, the MSDF is predicated on the basis of on an unviable development - it was aspirational in concept but not deliverable given today’s projected market conditions and is not now in accordance with the proposed modified development plan policy for the regeneration of Morden Town Centre.
 - As highlighted in Appendix 3, the visual impact assessment of the illustrative design option as given in the MSDF shows that the quantum of development “*would have a noticeable impact on some views from the existing townscape but these impacts would in most instances be low or medium in magnitude and neutral or beneficial all instances.*” Such assessment would also apply to tall landmark building over 12 storeys at the Property.

- There are no statutory listed buildings within the Morden Regeneration Zone – see Appendix 3 to this representation; pages 7 & 8 within **the** Morden Town Centre Heritage Review 2020 – Examination Reference Document No 5D2

- 3.16 The proposed boundary of the tall building cluster is also not clearly defined – it is only indicative and does not have regard to land ownership boundaries (a small part of the Property lies within, the remainder outside of the boundary). Given the importance of the tall building cluster designation the boundary needs to be clearly defined – taking into account availability of deliverable large sites within the Morden Regeneration Zone – including therefore the Property.
- 3.17 Policy for the regeneration of Morden Town Centre must expressly recognize that individual tall building development of large- scale sites within the Morden Regeneration Zone will be supported where they can also help deliver the wider vision and objectives for the comprehensive regeneration Morden Town Centre.
- 3.18 CBRE IM also note that all tall buildings need to be assessed against the other requirements as set out in policy D12.6 within the Morden Regeneration Zone – regardless as to whether they are 12 or 22 storeys high - and so question the need for a Strategic Height Diagram delineating such zones with the Morden Regeneration Area.

Necessary Amendment

- 3.19 CBRE IM consider that if the proposed policy relating the Morden Regeneration Zone is to be justified and in general conformity with the London Plan, consistent with national policy and effective, the plan as proposed to be submitted for approval needs amended as follows:
- a) If the “Tall building cluster heights up to 71m (approx up to 22 storeys)” is to be retained, then the Property should be included within that tall building cluster on the Strategic Heights Diagram or
 - b) Alternatively, the “tall building cluster designated zone” should be removed from the Strategic Heights Diagram and the diagram should identify all large sites within the Morden Regeneration Zone – including the Property - which are available and developable over the plan period and given their sustainable location are suitable for buildings up to 22 storeys, given that development of such sites will contribute to the overall objective of comprehensive regeneration of Morden Town centre, subject to compliance with the criteria of tall buildings policy D12.6.

Appendix 1: Statement of Common Ground between London Borough of Merton and CBRE IM

Areas of agreement

- The inclusion of a reference to the Plan's support for freestanding development proposals on large sites that are 0.25 hectares and above, such as the site at 34-44 London Road, that contribute to comprehensive regeneration objectives as described in the policy, would improve clarity and ensure that the Plan is 'justified'.
- The inclusion of references in the proposed Site Allocation Mo4, to the relevant features of the large site at 34-44 London Road, such as the land use and ownership, will improve the clarity of the plan.

The matters listed above are captured in proposed modifications submitted on 20 May 2022.

Continued dialogue

- There remain matters, including some relating to the proposed modifications, where the parties are not in agreement. However, both parties are committed to continue exploring these matters in the course of further discussions in advance of the relevant hearings dates, in the hope of reaching further common ground.

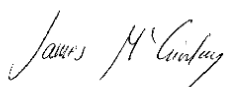
Signatories

Both parties agree that this statement is an accurate representation of matters discussed and issues agreed upon.

Signed for London Borough of Merton by:

Name – James McGinlay

Job Title – Assistant Director for Sustainable Communities



Signature -

Date – 20 May 2022

Signed for on behalf of CBRE IM:

Name – Mike Straw

Job Title – Managing Director, MSP+D Ltd on behalf of CBRE IM

Signature - Mike Straw

Date – 20 May 2022

Appendix 2: Summary Statement of areas of agreement and outstanding issues made by CBRE IM at the Stage 1 Examination

Agreed/Welcomed proposed modifications (highlighted in red text) to planning policy relating to Morden Town Centre in light of the Reg 19 Representation and subsequent negotiations with the Planning Officers London Borough of Merton

Statement of common ground signed on 20 May – see Appendix 1.

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“ a. The comprehensive regeneration of the Morden Regeneration Zone (Site Mo41), to optimise the delivery of new homes (including affordable homes), improve the street scene and public realm, make it easier for all to get around, and support businesses and other appropriate uses within the Morden Regeneration Zone. **Development proposals for large sites (0.25 hectares and above) that assist contribute to the delivery of comprehensive regeneration as described in this policy and Site Allocation Mo41, will be supported.**

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5.1.18 References to comprehensive regeneration in this policy refer to the nature and scale of the regeneration and not a delivery method

Page 194

New Paragraph

There are large sites that could come forward with development proposals during the lifetime of this Local Plan that can help to achieve the comprehensive regeneration of Site Mo1. Unlike smaller sites, large sites (of 0.25 hectares or more) are of a size that can optimise capacity for Town Centre Type Uses, new homes, and support improvements to the public realm and local infrastructure in line with the requirements in this policy

Page 206:

Site Mo1 – Morden Regeneration Zone

Inclusion of

- **CBRE IM's site - Sainsbury's food store with offices above at 34-44 London Road**
- **Verity Trustees as a site owner**

Page 208

Development proposals for large sites (0.25 hectares and above) such as 34-44 London Road, that contribute to the delivery of comprehensive regeneration, could be brought forward before the end of this local plan period.

Areas of disagreement (highlighted in red text)

A: The plan's exclusion of 32 -44 London Road from being outside the "Tall Building Cluster" within Morden Strategic Height Diagram – specifically

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e) Supporting tall buildings within the Morden Regeneration Zone in accordance with the details in the Strategic Heights Diagram for the Morden Regeneration Zone and the requirements in Policy D12.6 Tall Buildings

Page 182 – The Strategic Heights Diagram – excludes the large site at 34-44 London Road outside the tall building cluster within the Morden Regeneration Area.

Page 189 - The Strategic Heights Diagram for the Morden Regeneration Zone specifies height limits in accordance with the London Plan. The proposed height for each building within the Morden Regeneration Zone will need to be justified in accordance with the criteria in policies D12.3 'Ensuring high quality design for all developments', D12.5 'Managing heritage assets' and D12.6 'Tall buildings'

Page 207 – Morden Regeneration Zone

6. The use of tall buildings where appropriate and in accordance with the Strategic Heights Diagram for the Morden Regeneration Zone in order to optimise development that relates well to the surrounding context and public realm, particularly at street level.

Page 208

In accordance with the Strategic Heights Diagram for the Morden Regeneration Zone a plan-led approach, taller buildings would be acceptable,

Page 209

The Strategic Heights Diagram for the Morden Regeneration Zone sets out the height limits.

However, all building heights will be This site will include tall buildings in appropriate locations subject to consideration of impacts on existing character, heritage and townscape in accordance with policies D12.3 'Ensuring high quality design for all developments', D12.5 'Managing heritage assets' and D12.6 'Tall buildings'

B: Need to adhere to the MSDF

- MSDF was commissioned with a view of delivering one single development covering all land within the Morden Regeneration Area, with that development being delivered by a single appointed developer to act on behalf of TFI/LBM, once all the relevant land had been assembled into a single ownership, by means of CPO powers; revised policy not now taking this approach re comprehensive development;
- MSDF was not supplementary planning guidance and not consulted on that basis;
- how does the SDF work with the need for the yet to be produced "Opportunity Area" – as given in paragraph 5.1 12 "we will work with the GLA to produce an Opportunity Planning Framework"

Therefore, we continue to object to:

Page 184:

5.1.11 The SDF will inform the procurement of a development partner(s) who will help to deliver the regeneration within the Morden Regeneration Zone.

New paragraph

The vision, objectives and principles set out in the SDF should be used to inform development proposals for large sites (0.25 hectares and above) that come forward to contribute to the delivery of comprehensive regeneration, as stated in Policy N5.1 part a., above.

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5.1.18

As Merton Council and TfL (Transport for London) both own a significant portion of land within the Morden town centre, they both have a major role to play in enabling and delivering change within the town centre, particularly within the Morden Regeneration Zone. There are also multiple other land ownership interests within the Morden Regeneration Zone and landowners are strongly encouraged to work together. and a land assembly strategy will be required to ensure that the comprehensive regeneration of Site allocation Mo1 can be achieved by the end of this local plan period and to avoid fragmented development and suboptimal densities in this highly accessible location. References to comprehensive regeneration in this policy refer to the nature and scale of the regeneration and not a delivery method and, in accordance with London Plan policies H1 and H2, references to large sites in this policy refer to sites of 0.25 hectares and above

Appendix 3: Reference to the Morden Strategic Development Framework (MSDF) – Examination Reference Document 5D1

- Page 2:

The framework was produced jointly by TfL and the London Borough of Merton.

The document is objectives of the strategic development framework *“to project delivery at a high strategic level in order to provide a clear but flexible way forward, and ensure that the regeneration is delivered in line with stakeholder expectations”*

In the coming months LB Merton and TfL will jointly launch the Morden town centre regeneration opportunity to market as part of a competitive bidding process, with the aim of securing a capable and visionary development partner to work alongside them in delivering regeneration.”

- Page 4 – Conclusion

The SDF has set out high level development and delivery principles which will be applicable to many district centres, but the key to successful execution of these is to understand and appreciate what makes each district centre unique. This will be the key element of the masterplanning process as it looks to draw on the SDF, the Local Plan and engagement; the SDF provides a context for this discussion and it is now the gift of a future development partner to take this forward and deliver on the moreMorden Vision.

- Page 67 – Fig 5-24 More Morden Vision Aerial View – showing proposed locations of taller buildings immediately adjacent to 32-44 London Road.
- Page 76 – Spatial Principles – Fig – 6-8 key building blocks include 32-44 London Road and high density and height to articulate and define public and private realm

Morden Town Centre Heritage Review 2020 – Examination Reference Document No 5D2

- Pages 7/8 – Part of Morden Town Centre immediately around the underground station does not contain Designated Heritage Assets such as listed buildings or conservation areas. There is however, one non designated heritage asset – Morden Underground Station. The nearest statutory listed building/heritage asset is at Morden Hall Park to the east of the site.

Morden Town Centre Visual Impact Assessment 2020 – Examination Reference Document 5D3

- Page 14 - Artist’s impression of the strategic design framework
- Page 15 – Townscape viewpoints.

- Page 16 – “The indicative framework provides an appropriate response to the existing architectural character of the area. A detailed assessment of the visual impact of the framework is pending detailed design of an architectural scheme. Provided the detailed scheme is of a consistently high level of architectural and urban design quality it would significantly enhance the existing highway dominated and low quality townscape of the town centre and its surroundings.

The strategic development framework demonstrates that tall buildings that mark the location and arrival into the town centre and provide high quality public realm could be accommodated within a regenerated Morden.

The 3D indicative model shows that the quantum of development would have a noticeable impact on some views from the existing townscape but these impacts would in most instances be low or medium in magnitude and neutral or beneficial all instances.