

APPEAL AT 265 BURLINGTON ROAD, LB MERTON

SUPPLEMENTARY STATEMENT ON HOUSING SUPPLY: FURTHER EVIDENCE PROVIDED TO THE APPELLANT

06 JANUARY 2020

INTRODUCTORY NOTE:

It has been agreed between the Appellant and the Council that for the purposes of the Appeal Public Enquiry session on 12th January 2021 that the housing supply data has been based on the information supplied to the Appellant by the Council on 14th December 2020 "Merton_Five_Year_supply.xlsx" and subsequent update in January 2021. This update reflects issues raised by the appellant in the week commencing 4th January 2021, as set out in this statement. There have not been any new sites added to the five-year supply in the 06/01/2021 version.

1. SMALL SITES

Questions from the appellant:

- 1.1 Having reviewed the spreadsheet you have provided, we are now happy to agree that the Council can demonstrate an historic delivery rate of 0.3%.
- 1.2 Although I would note that the development of 45-48 Rothesay Avenue, involved land that is subject to pre-app proposals for Wimbledon Chase Station so should be removed from the list, but this appears to be the only double counting that I can see.

Response from Merton Council

- 1.3 45-48 Rothesay Avenue has planning permission (18/P2211), for 7 additional units – 4 flats to be demolished and 11 flats provided. The pre-app proposals for Wimbledon Chase station (62 homes) cover the site at 45-48 Rothesay Avenue so we agree to the removal of 7 homes in FY21-22 to avoid double counting.

2. DELIVERY OF PERMITTED SITES

Questions from the appellant:

- 2.1 Please can you confirm the delivery rate for sites with planning permission which you have assumed. You mentioned on the call that there were very few/ no major schemes that have permission that have not been delivered.

Response from Merton Council

- 2.2 LBM does not use a single "delivery rate" for sites in their 5-year supply. Delivery timescales for each site is assessed including the clear evidence for delivery set out in the NPPF and NPPG. The section below sets out the evidence to the delivery rates of sites with planning permission in Merton, assessed against the number of homes and the type of scheme:

- A. Part A - The historic timescales of delivery

- B. Part B - The lapse rate
- C. Part C - Large sites that have stalled

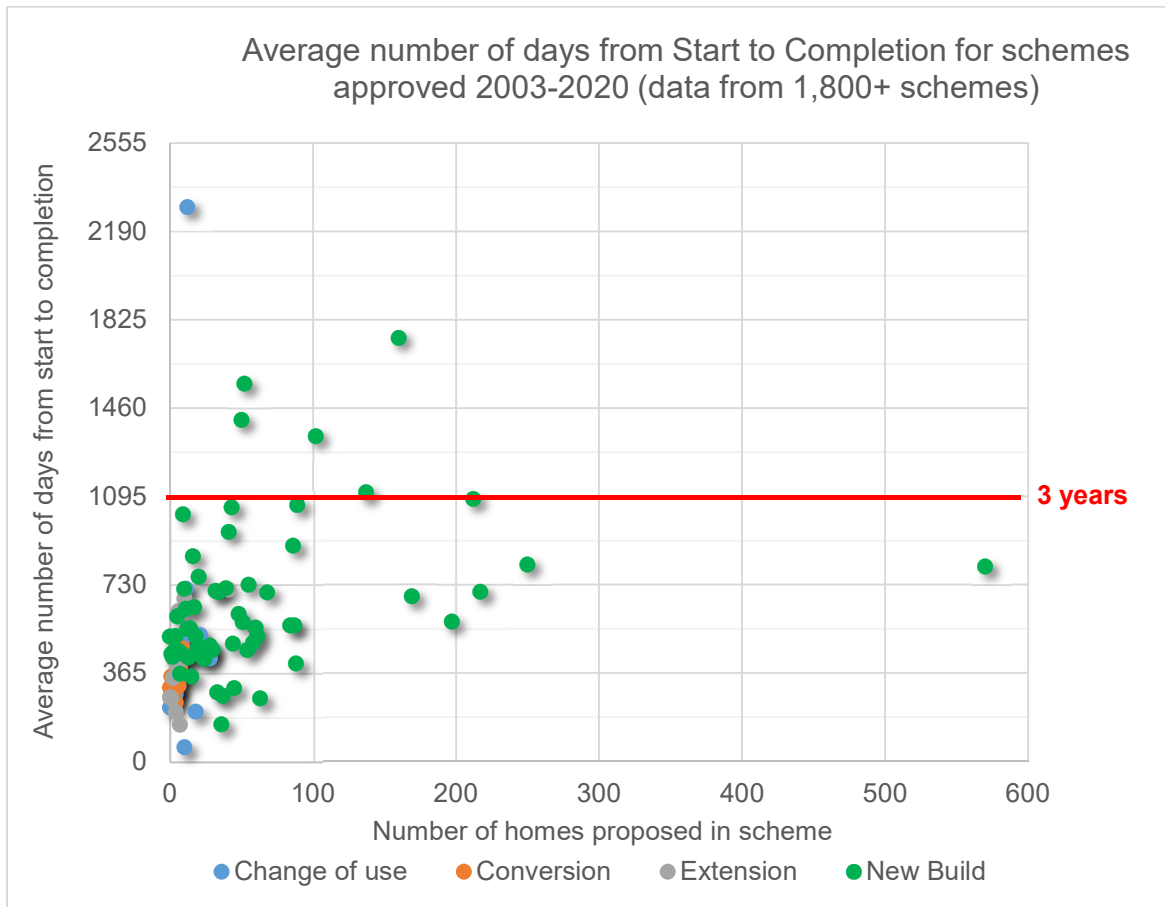
Part A - The historic timescales of delivery

2.3 In calculating Merton’s five-year supply, each site is assessed based on the latest information from the case officer, site visits, historic delivery timescales for similar permissions and information from the applicant. For large sites the landowner/developer is contacted to inform the phasing of delivery.

For example, where a site has started the estimated completion date in the trajectory is based on the historic timescales from start to completion for a site of that type and size. Table 2.1 below shows the average number of days from start to completion for different schemes. This data is also shown in the graph below, which demonstrates that most schemes within Merton complete within three years of starting.

Table 2.1: Average timescales from start to completion

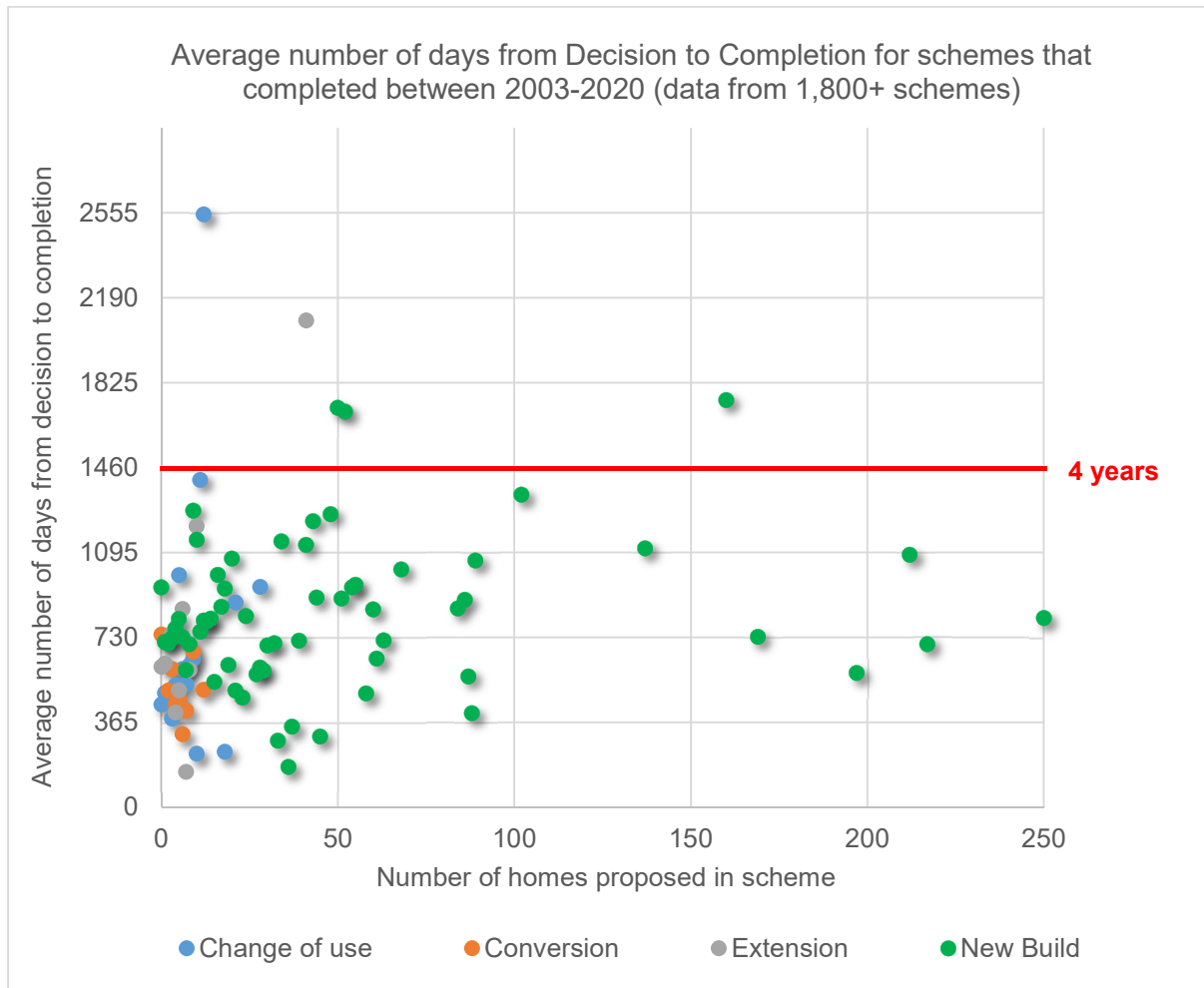
	Change of use	Conversion	Extension	New Build
0-10 UNITS	337 days (0.9 years)	341 days (0.9 years)	389 days (1.1 years)	545 days (1.5 years)
10-50 UNITS	833 days (2.3 years)	439 (1.2 years)	711 days (1.9 years)	555 days (1.5 years)
50+ UNITS	n/a	n/a	n/a	758 days (2.1 years)



2.4 For example, where a site has not started, the estimated completion date in the housing trajectory is based on the historic timescales from decision date to completion for a site of that type and size and additional information such as planning activity, information from the case officer or applicant. Table 2.2 below shows the average number of days from decision to completion for different sized schemes. This data is also shown in the graph below, which demonstrates that most schemes within Merton complete within four years of their decision date.

Table 2.2: Average timescales from decision to completion

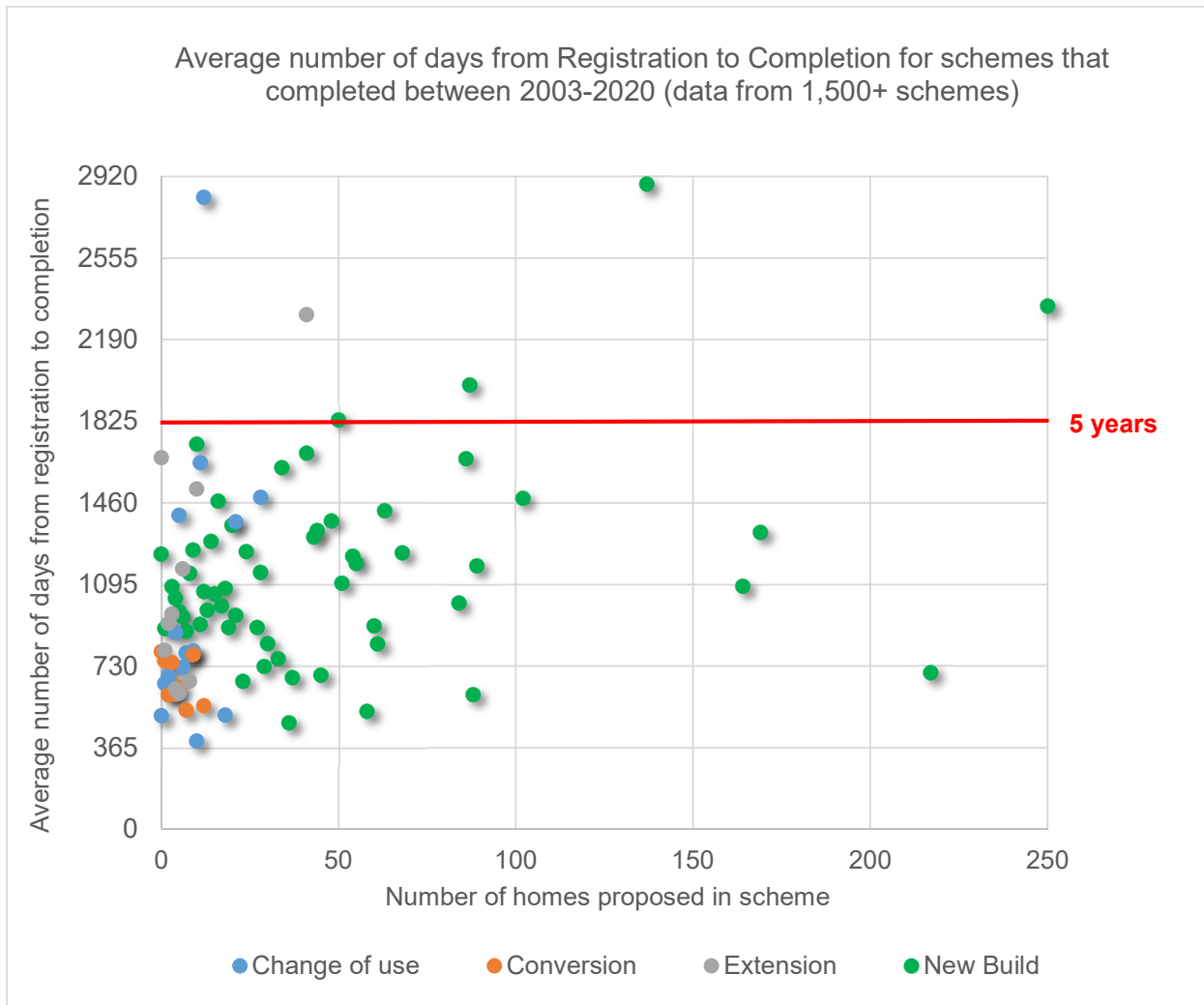
	Change of use	Conversion	Extension	New Build
0-10 UNITS	555 days (1.5 years)	503 days (1.4 years)	644 days (1.8 years)	817 days (2.2 years)
10-50 UNITS	1,204 days (3.3 years)	505 days (1.4 years)	2,092 days (5.7 years)	771 days (2.1 years)
50+ UNITS	n/a	n/a	n/a	871 days (2.4 years)



2.5 The graph below shows the average number of days from Registration to Completion for schemes by number of units and type of development (change of use, conversion, extension and new build). This graph shows data from over 1,500 schemes that completed between 2003 and 2020. During this period all but 6 schemes completed within a five year period of their registration date.

Table 2.3: Average timescales from registration to completion

	Change of use	Conversion	Extension	New Build
0-10 UNITS	773 days (2.1 years)	665 days (1.8 years)	909 days (2.5 years)	1,087 days (3 years)
10-50 UNITS	1,568 days (4.3 years)	553 days (1.5 years)	2,302 days (6.3 years)	1,087 days (3 years)
50+ UNITS	n/a	n/a	n/a	1,429 days (3.9 years)



Part B - The lapse rate

- 2.6 The data in Table 2.3 and Table 2.4 below shows the permissions that lapsed according to the year they were decided. This helps analyse how many permissions that are granted each year are likely to lapse.
- 2.7 Analysis of the permissions decided between 2007/09 and 2016/17 found that all of the lapsed permissions were on small sites (less than 0.25ha).
- 2.8 Table 2.3 shows that:
- Of 1,354 planning permissions for new homes granted in the 10 years between 2007/08 and 2016/17, 129 permissions have lapsed, which is a loss of 180 units.
 - On average during that period 13 permissions per year lapsed, an average loss of 18 permissions per year, or 3.2% of the supply.
 - In the five-year period from 2012/13, 668 permissions were approved with a gain of 2,152 units. Of these, 49 schemes have lapsed resulting in a loss of 52 units, or 2.3% of the supply.

Table 2.3: Number of permissions that lapse in Merton

Lapsed permissions (excludes prior approvals)	Decision date year	Number of permissions approved	Number of homes approved	Number of permissions that have lapsed by decision year	Number of homes associated with these permissions	% of total homes that lapse
10 year Total	2007/08-2016/17	1,354	5,483	129	180	3.2%
10 year Average	2007/08-2016/17	135	548	13	18	3.2%
5 year Total	2012/13-2016/17	668	2,152	49	52	2.3%
5 year Average	2012/13-2016/17	67	430	10	10	2.3%

Source: LBM Monitoring Database

2.9 Table 2.4 shows that:

- The average number of small sites units lost by decision year from 2005/06 to 2015/16 is 18 homes per year, which represents 6% of the small sites units that were approved that year.
- The average number of small sites units lost by decision year from 2012/13 to 2016/17 is 10 homes per year, which represents 3% of the small sites units that were approved that year.

Table 2.4: Number of permissions on small sites that lapse in Merton

Lapsed permissions (excludes prior approvals)	Decision date year	Number of units approved	Number of permissions that have lapsed by decision year	Number of small site units associated with these permissions	Average % Small sites units lost because they lapsed by decision year
10 year Total	2007/08-2016/17	2,990	129	180	6%
10 year Average	2007/08-2016/17	299	13	18	6%
5 year Total	2012/13-2016/17	1,672	49	52	3%
5 year Average	2012/13-2016/17	334	10	10	3%

Part C - Large sites that have stalled – including questions from the appellant:

2.10 Appellant: I would however note a couple of exceptions:

1) 46-76 Summerstown, which has permission for a 93 unit scheme (not 105 units shown in the supply table). This has not yet been implemented and is currently subject to an application for 105 units, which is proving very difficult to progress and get to committee because of issues with the GLA; and

2) 579-589 Kingston Road – I understand that the permission has been implemented but the site has been subject to various applications and there is no significant sign of progress.

Account does need to be taken of the above.

Response from Merton Council

2.11 Site: 46-76 Summerstown

2.12 46-76 Summerstown has planning permission for 93 homes granted on 15th August 2017 (15/P4798). The buildings on site were demolished in 2018 so this scheme has technically started development (and therefore hasn't lapsed within three years of permission being granted).

2.13 On 5th May 2020 (reference 20/P1371) planning permission was submitted for a new scheme for 105 homes on the same site and public consultation took place. Dialogue is still ongoing between the GLA, the applicant and LB Merton to resolve the outstanding issues. Subject to resolving these issues, LBM consider that it is reasonable that the 105 home scheme (20/P1371) should be capable of being delivered within the next five years. Therefore we have included the 105 unit scheme in the council's 5-year supply and not the 93 unit scheme. However, noting that Mr Murch is also the planning agent for the site, if he has further information on this site that clarifies that the 105 unit scheme has stalled and is not likely to be delivered in the next five years, we are prepared to remove the 105 unit scheme and reinstate the 93 unit scheme that already has full planning permission.

2.14 Site: 579-589 Kingston Road

2.15 579-589 Kingston Road has a long and unique planning history, including granting planning permission for office and self-storage in February 2011 (10/P1963), an appeal dismissed for the same in April 2010 (09/P0704) and granting planning permission for a mixed use scheme including 20 flats in April 2015 (14/P4537)

2.16 The most recent approved and progressed planning permission is for a mixed use scheme including 99 new homes which was granted on 10th October 2018 (ref 16/P1208). Planning conditions for this scheme were discharged in early 2019, most recently the condition for the demolition and construction method plan and construction logistics plan (14 March 2019, ref 19/P0977). As part of preparing the 2018/09 Authority Monitoring Report, LBM officers contacted the applicants in November 2019 who confirmed their intention to progress site delivery within five years. Therefore this site has been included within Merton Council's 5 year supply based on the live permission with discharged conditions for 99 homes.

2.17 In the meantime in 2019, two mixed use schemes were submitted for two separate planning permissions which also covered the site: “Scheme A” a mixed use scheme including 118 new homes (19/P1676) and “Scheme B” - a mixed use scheme including 124 new homes (19/P1675). Both were refused planning permission at Planning Committee in March 2020.

2.18 **Other large sites**

2.19 In addition to the two sites identified by the appellant above, Merton Council has analysed the data on planning permissions to identify large sites with planning permission that have not been superseded or lapsed. These are contained in Table 2.5 below.

2.20 Table 2.5 demonstrates that:

- No large sites have lapsed – there is still planning activity and / or interest from the applicants in progressing the site
- No large sites with a decision date older than 2016 have not been started

2.21 The only large site with a full planning permission decision date older than 2016 that has been started but not completed is Rainbow Estate. The commercial element of this mixed use scheme has been completed but the 224 homes have not. Therefore Merton Council has not included this in the 5 year housing supply.

2.22 Of the sites that have started more than 2 years ago where the site visit identified no progress there are:

- 09/P1303 – Bathgate Road - demolition of existing dwelling and replacement of one new dwelling (i.e. no net gain) in Wimbledon Village – started but no change since demolition.
- 12/P0408 – Parkside – demolition of existing dwelling and replacement of one new dwelling (i.e. no net gain) in Wimbledon Village – not implemented but CIL paid
- 15/P3114 360-364 London Road, Mitcham – mixed use scheme including 22 homes, decision date 17/02/2016. Started on site (buildings demolished) and a new mixed use scheme submitted for 24 homes in December 2019 for 24 homes (19/P4072). Merton Council is currently in discussion with the applicant on access for servicing for the 19/P4072 permission. The 22 home scheme has been included in Merton’s 5 year supply.

Table 2.5: Large sites with planning permission that have not superseded or lapsed

Application No	Street Number	Street Name	Postcode	Description	Decision date	Start date	Included in LBM 5 year supply?
14/P4287	Rainbow Industrial Estate	Approach Road, Grand Drive	SW20 0JY	REDEVELOPMENT INVOLVING DEMOLITION OF EXISTING BUILDINGS AND ERECTION OF 6 BLOCKS OF FLATS OF 5-7 STOREYS AND A TERRACE OF 9 HOUSES, PROVIDING 224 RESIDENTIAL UNITS (CLASS C3) PLUS 3,449 SQM OF COMMERCIAL FLOORSPACE FOR USES WITHIN CLASS B1 (BUSINESS) AND 264 SQ.M OF ANCILLARY COMMERCIAL FLOORSPACE FOR USES WITHIN CLASSES A1 (RETAIL), A2 (FINANCIAL AND PROFESSIONAL SERVICES) A3 (RESTAURANTS AND CAFES) AND D1 (NON-RESIDENTIAL INSTITUTIONS), AN ENERGY CENTRE, ASSOCIATED SURFACE LEVEL AND BASEMENT PARKING (126 - CARS, 10 LIGHT GOODS VEHICLES, 21 MOTORCYCLES, 33 DISABILITY SPACES) CYCLE STORAGE (274 SPACES) AND EXTERNAL AMENITY SPACE AND LANDSCAPING.	23/05/2016	03/12/2018	No
16/P2672	Haslemere Industrial Estate	Ravensbury Terrace, Wimbledon Park	SW17	DEMOLITION OF EXISTING BUILDINGS AND A PHASED REDEVELOPMENT OF SITE TO PROVIDE; A PART 4 AND PART 6 STOREY MIXED USE BUILDING, COMPRISING 826 SQM GIA OF COMMERCIAL USE AND 79 RESIDENTIAL UNITS AND A PART 2, PART 3 AND PART 4 STOREY TERRACE OF 50 RESIDENTIAL UNITS AND 341.4 SQM GIA OF COMMERCIAL USE (TOTALLING 129 DWELLINGS AND 1,176.6 SQM COMMERCIAL SPACE WITHIN USE CLASS B1) WITH THE FORMATION OF A RIVERSIDE PARK, CAR PARKING, SERVICING, ACCESS AND LANDSCAPING	25/03/2019	10/02/2020	Yes (in progress)
16/P1208	579-589	Kingston Road, Raynes Park	SW20 8SD	DEMOLITION OF EXISTING BUILDINGS AND REDEVELOPMENT OF SITE TO PROVIDE OFFICES (1201 SQ.M - CLASS B1) AND RESIDENTIAL (99 UNITS - CLASS C3) ACCOMMODATION IN BUILDINGS OF TWO - SIX STOREYS, PROVISION OF CAR PARKING (24 CARS, 12 DISABLED SPACES), CYCLE PARKING (224 SPACES), VEHICLE ACCESS, LANDSCAPING, PLANT AND ASSOCIATED WORKS.	10/10/2018		Yes – see above (in response to appellant query)
15/P4305	Pollards Hill Estate	Pollards Hill Estate Mitcham	CR4	ERECTION OF 90 x RESIDENTIAL UNITS (CLASS C3), INVOLVING THE DEMOLITION OF 24 EXISTING RESIDENTIAL UNITS, ALTERATIONS TO THE ELEVATIONS OF RETAINED PROPERTIES AND THE CONSTRUCTION OF NEW ESTATE ACCESS ROAD WITH	20/11/2017	01/04/2018	Yes (in progress)



				ASSOCIATED PARKING COURTS AND CAR/CYCLE SPACES (CAR PARKING TO BE INCREASED FROM 310 SPACES TO 499 SPACES). NEW LANDSCAPING AND THE PROVISION OF WASTE STORAGE FACILITIES.			
19/P1852	High Path Estate (phase 2)	High Path, South Wimbledon	SW19 2TG	APPLICATION FOR APPROVAL OF RESERVED MATTERS (PHASE 2) FOLLOWING OUTLINE PERMISSION 17/P1721 FOR THE COMPREHENSIVE PHASED REGENERATION OF HIGH PATH ESTATE COMPRISING DEMOLITION OF ALL EXISTING BUILDINGS AND STRUCTURES; ERECTION OF NEW BUILDINGS RANGING FROM 1 TO 10 STOREYS MAX, PROVIDING UP TO 1570 RESIDENTIAL UNITS (C3 USE CLASS); PROVISION OF UP TO 9,900 SQM OF COMMERCIAL AND COMMUNITY FLOORSPACE (INC REPLACEMENT AND NEW FLOORSPACE, COMPRISING: UP TO 2,700 SQM OF USE CLASS A1 AND/OR A2, AND/OR A3 AND/OR A4 FLOORSPACE, UP TO 4,100 SQM OF USE CLASS B1 (OFFICE) FLOORSPACE, UP TO 1,250 SQM OF FLEXIBLE WORK UNITS (USE CLASS B1), UP TO 1,250 SQM OF USE CLASS D1 (COMMUNITY) FLOORSPACE; UP TO 600 SQM OF USE CLASS D2 (GYM) FLOORSPACE); PROVISION OF NEW NEIGHBOURHOOD PARK AND OTHER COMMUNAL AMENITY SPACES, INCL. CHILDREN'S PLAY SPACE; PUBLIC REALM, LANDSCAPING, LIGHTING; CYCLE PARKING (INCL VISITOR CYCLE PARKING) AND CAR PARKING (INC WITHIN GROUND LEVEL PODIUMS), ASSOCIATED HIGHWAYS AND UTILITIES WORKS.	03/10/2019		Yes (Phased scheme - part of Estate Regeneration)

3. COMMITTEE REFUSAL

Questions from the appellant:

- 3.1 As set out within my Proof of Evidence, a high proportion of major applications were refused against officer advice (33%) since October 2019. An approval rate will need to be applied to pipeline schemes for major development that don't yet have approval.
- 3.2 Could you give this some thought and suggest an adjusted figure? My suggestion is that we should agree a discount of 33%, based upon the table provided on pages 37 to 40 of my Proof of Evidence.
- 3.3 An approval rate will need to be applied to pipeline schemes for major development that don't yet have approval

Response from Merton Council

- 3.4 We have looked in detail at the approval rate for major applications in Merton, determined by both Planning Applications Committee and officers under delegated powers. We don't agree that it is reasonable to use 11 months of Planning Committee data to inform the approval rate for the 5-year supply. We also note that Merton's Planning Applications Committee substantially changed in December 2020
- 3.5 We also consider that the schemes refused at Planning Applications Committee from October 2019 to September 2020 should not be double counted (for example in March 2020 planning permission was refused for two separate schemes where planning applications had been submitted for the same site 19/P1675 and 19/P1676), a site that already has an extant planning permission.
- 3.6 Table 3.1 shows the number of major development applications (10+ homes proposed) decided in Merton between 01/04/2015-21/12/2020 to cover the financial years FY15-16 to FY20-21 (incomplete year). We have included the data for FY20-21 (up to December 2020) because the appellant has referred to Planning Applications Committee decisions between October 2019 and September 2020.
- 3.7 Over the past 5 years Merton Council has approved 84% of major applications at Planning Applications Committee between April 2015 and December 2020.

Table 3.1: Major development applications (10+ homes proposed) decided by Merton's Planning Applications committee in the last five+ years FY15/16-FY20/21 (to Dec 2020)

	Refused	Granted	Total	% Refused	% Granted
Planning Applications Committee	10	54	64	16%	84%

Table 3.2: Further planning details of schemes refused

Schemes	Number of schemes	% of total refusals	Total % that gained permission after decision
Extant permission on site	2	20%	
Subsequent application granted	4	40%	
Allowed at appeal	3	30%	90%
Dismissed at appeal	1	10%	10%
Total	10	100%	100%

- 3.8 In Merton's five year supply, there are 13 schemes above 25 homes that do not have planning permission (or 15 schemes of 11 homes or more than do not have planning permission).
- 3.9 Merton's Planning Applications Committee only refused 16% of schemes in the last five years. Of the schemes that were refused, Table 3.2 shows that 90% (9 schemes) either had extant permission on the site or gained permission through a subsequent planning application or were allowed at appeal. 10% (1 scheme) was dismissed at appeal and has not yet submitted further applications.
- 3.10 The appellant has suggested applying a discount to unpermitted major schemes in Merton's five-year supply to account for a potential approval rate. The approval rate for major schemes that were decided at Planning Applications Committee over the past 5+ years would result in a discount of 2%. The 2% is calculated by multiplying the 16% refused by 10% ($0.1 \times 0.16 = 0.02 = 2\%$).
- 3.11 However, we do not consider that it is appropriate to apply an approval rate based on a percentage of number of schemes, and then try to translate this into a reduction in the number of homes in the five-year supply, as a "major" scheme can be 12 homes or 250 homes. This is not a practical approach. We consider that the potential for refusal must be assessed on a site-by-site basis and in Merton's experience as set out above, a refusal results in a delay to delivery rather than a complete removal of the development site from delivery.

4. DELIVERABLE

Questions from the appellant:

- 4.1 In addition to the above, the Council would need to demonstrate "clear evidence" that all of the sites that do not have planning permission are 'deliverable' in accordance with the definitions provided within the NPPF and PPG.
- 4.2 The spreadsheet provided does include some information but it is limited, lacks any real detail and does not meet the tests of deliverability required.
- 4.3 I would particularly note in relation to Wimbledon Chase Station – it shows 62 units will be delivered in '24-'25. This is highly unlikely. At the moment the scheme is going through an approval process with Network Rail and further pre-application meetings will need to take place with the Council because the scheme has changed significantly. I cannot see that an application will be submitted to the Council until the second half of the year at the earliest. Post approval, there is then a further sign off process that will need to take place with Network Rail in relation to detailed design and construction before we can submit pre-commencement conditions. The new station entrance will need to be delivered prior to work commencing on the residential component.
- 4.4 I would therefore expect that delivery of the residential element of this site isn't likely to happen until 25/26 at the absolute earliest.

Response from Merton Council

- 4.5 Merton Council has updated Five Year Supply spreadsheet where the "Development Status" column has been updated to demonstrate why the sites included incorporate "deliverable" information within the NPPF and PPG.

5. MERTON HAS TAKEN A CAUTIOUS APPROACH TO FIVE-YEAR SUPPLY

- 5.1 Merton Council has taken a cautious approach to the five-year supply, and there are a number of schemes that are in the pipeline which could deliver new homes before 31/03/2025, but we have not included. This is due to Merton Council taking a cautious approach to our 5 year supply to make it robust
- 5.2 **Benedict Wharf: Outline permission for up to 850 homes.**
- 5.3 The site is proposed for allocation including residential in Merton's emerging Local Plan and proposed to be released from waste management capacity in this scheme was recommended for approval by officers and refused at Merton's Planning Applications Committee in July 2020. The scheme was called in by the GLA, which resolved to grant permission on 8th December 2020. The Secretary of State has written to GLA asking not to issue planning decision until the Secretary of State has reviewed the application. It is important to note that all parties, including councillors at Planning Applications Committee and most representors objecting to the planning application, support the principle of residential development on the site.
- 5.4 The Applicant has confirmed by email with Merton Council, and verbally at the GLA hearing on 8th December 2020 (when asked this question directly by the deputy Mayor) that if approved the scheme would be delivered by London Square in partnership with Clarion; the proposal is that Suez would move off site and decontaminate as they go, with residential development starting on site by 2022 and some units (unspecified number) would be finished in 2024.
- 5.5 The scheme is not currently in Merton's five-year supply, but, should it be approved, we expect some of the units would be delivered in the first 5 years.
- 5.6 **Mitcham Gasworks: Pre-application for 350+ homes.**
- 5.7 This scheme is on an adopted site allocation in Merton's Sites and Policies Plan 2014 and is a proposed site allocation in Merton's New Local Plan. The site had outline planning permission for a major residential and employment scheme. The residential element has been delivered over 5 years ago. However, the employment part of the permission lapsed in July 2012.
- 5.8 In 2020 the site's owners, St William, applied to demolish the gasholder and spoke to councillors of their intention to undertake pre-application consultation on proposals in early 2021.
- 5.9 **Former Tooting Police Station: Pre-application for 40+ homes**
- 5.10 This site was identified for disposal by the Met Police and was marketed through the GLA Small Sites Small Builders Programme. The new landowner has approached Merton Council for pre-application for the site, which was assessed in the GLA SHLAA 2018 for 82 homes. Merton Council considers the SHLAA assessment ambitious, but would expect delivery of 40+ homes on this site before 31/03/2025.

6. OVERALL

Questions from the appellant:

- 6.1 We would ask that the Council review their supply of sites to take account of the above.
- 6.2 We would be open to agreeing a proportional deliverability rate to keep things simple rather than taking a forensic approach to each topic area and individual sites.

- 6.3 I would welcome the opportunity to jump on a call with you to chat through at your earliest convenience – please let me know.

Response from Merton Council

- 6.4 We have updated the “Development Status” for large sites in Merton’s Five-Year Supply spreadsheet.
- 6.5 We do not agree that taking a proportional deliverability rate on schemes is the best way of approaching the five-year supply for the reasons mentioned above.
- 6.6 We’re happy to speak about the information in this note.