## Planning application 21/P0082 Land South of 7-9 Christchurch Road (known as Britannia Point) Colliers Wood SW19 2PP

## SUBMISSION BY THE COLLIERS WOOD RESIDENTS' ASSOCIATION

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#### **EXECUTIVE SUMMARY**

The Colliers Wood Residents' Association believes that planning permission for the proposed scheme should be **refused**, on the following grounds:

## Lack of conformity with the Core Planning Strategy

At 26 floors, the larger of the two towers is 7 storeys taller than Britannia Point. The proposed scheme therefore departs radically from existing planning policies on building height in Colliers Wood. CWRA believes vehemently that Britannia Point should remain the pinnacle building in the town centre.

## Problems concerning financial viability

The financial viability assessment does not conform to best practice from the Royal Institute of Chartered Surveyors. Furthermore, it suggests that the proposed scheme is not viable. This puts important elements of the scheme such as the delivery of affordable housing and s106 obligations at significant risk. The Council should not consider whether to approve the scheme until a revised financial viability assessment has been produced, including sensitivity analyses and a full consideration of construction risks and their possible effect on scheme costs.

## **Excessive housing density**

At 620 units per hectare, the proposed housing density is nearly two and a half times the maximum density envisaged by the GLA's density matrix. This stretches the flexibility on densities well beyond anything that could be considered reasonable.

## Unacceptably low levels of affordable housing

At only 15% of the overall units, the 40 affordable homes included in the scheme falls woefully short of the 60% target in the London Plan and 40% target in Merton's Core Strategy. The scheme's apparent lack of financial viability puts even this small offering at risk.

In CWRA's view the Council should refuse planning permission, thereby signalling the unacceptability of schemes that do not reliably deliver an adequate proportion of affordable housing.

## **Excessive building height**

The larger of the two towers is unacceptably high. It will stand out like a sore thumb and be visible from every part of Colliers Wood and across South West London. It will blight views from local houses and parks and rob hundreds of rooms in homes of daylight and sunlight. The trio of tall buildings the scheme will create are completely out of character with the rest of Colliers Wood.

## **Construction blight**

Because of the proposed scheme's excessive scale the local area – including shops, a primary school, an important local park, playing fields and hundreds of local residents – will be blighted by noise, dirt, pollution and disruption to their daily lives.

## Proposed mix and design of dwellings

The proposed scheme does not conform with LB Merton's current and draft future policies on housing mix and does not comply with London Plan policy concerning single aspect dwellings.

## Loss of daylight and sunlight

The scheme gives insufficient weight to the major impact that the two towers will have on the loss of daylight and sunlight on nearby properties and land including Britannia Point, Singlegate School and Wandle Park.

#### Wind effects

The report from Criterion's consultants shows that the anticipated wind conditions resulting from the scheme will create an uncomfortable microclimate unsuitable for many of the purported recreational and play opportunities described in the planning application.

#### Overheating, noise and air quality issues

The way in which overheating risks are managed is crucial to the habitability of the proposed dwellings and to the environmental impact of the scheme. Yet the specialist's report and Criterion's planning statement leave this unclear. The Council should not consider whether to grant planning permission until Criterion's position on managing overheating risks is clear, and the habitability and environmental impact of the scheme can be properly assessed.

#### Provision for children

The planning application significantly underestimates the number of children that can be expected in the new development. As a result, the scheme's provision of play space is inadequate and is 50% less than the amount required by the GLA.

Details on the reasons for each of these objections is given later in this submission.

#### INTRODUCTION

The Colliers Wood Residents Association is the body that represents the views of local residents. The current application to develop Colliers Wood island is the most significant development proposal in the area for sixty years. CWRA supports future developments in the area that are attractive, appropriate and sustainable and that enhance the quality of life of new and existing residents. The current proposal fails against all these tests, and CWRA believes planning approval should be refused. Our reasons for doing so are set out below.

#### CWRA'S OBJECTIONS TO THE PROPOSED SCHEME

## A. Lack of conformity with the Core Planning Strategy

Paragraph 11.13 of Merton's current Core Planning Strategy states that

"Colliers Wood town centre may be an appropriate location to accommodate higher density development including tall buildings. The Brown and Root Tower [i.e. Britannia Point] should remain the pinnacle building in the centre in terms of height. 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."

The proposed development includes a tower that exceeds the height of Britannia Point by 7 floors. CWRA therefore considers that the proposals should be rejected because they do not conform with current statutory planning policies.

A new Local Plan is in preparation. The Stage 2 draft of the Plan retained the stipulation that Britannia Point should remain the pinnacle building in the town centre in terms of height. Following lobbying by Savills on behalf of Criterion Capital, this stipulation was removed in the Stage 2a draft. We disagree vehemently with Savill's assertion that this wording is not in accordance with the NPPF. On the contrary, it is a clear and admirably simple policy aimed at maintaining the prevailing character and setting of Colliers Wood.

The Association has argued strongly that the earlier drafting should be restored in order to maintain the area's prevailing character and setting. We believe that any development of the vacant site that exceeded the height of Britannia Point would represent an unacceptable level of intensification and have a negative effect on the character, amenity and environment of the town centre. Over 400 residents have signed a petition agreeing with this stance.

The draft Plan has yet to complete important stages of the statutory process, including pre-submission publication, submission to the Secretary of State and a 6-month long examination in public. CWRA is therefore surprised by Criterion's assertion that Merton Planning officials are supportive of heights of 26 stories in the town centre. Either

- (a) Officers have given developers advice that contradicts their Council's planning policies; or
- (b) Criterion has not represented Merton planning officers' views accurately.

Whichever is the case, the greater material weight should be given to <u>current</u> planning policies, rather than those that are still in draft.

## B. Problems concerning financial viability

ULL Property's financial viability assessment (FVA)¹ calculates that the scheme as proposed will yield a £2.96 million loss for Criterion.

We have several concerns about the way in which the report has been drawn up, and about the implications of its conclusions.

According to ULL Property, their viability assessment has been carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) professional statement 'Financial viability in planning: conduct and reporting". This sets out mandatory requirements on conduct and reporting in relation to financial viability assessments for planning in England. The mandatory requirements are designed to give decision-makers critical assurances about the professionalism and integrity with which an FVA has been carried out, and are as follows:

- FVAs must include a statement that RICS members have acted:
  - with objectivity
  - impartially
  - without interference and
  - with reference to all appropriate available sources of information.
- RICS members must confirm that no conflict or risk of conflict of interest exists.
- A statement must be provided confirming that, in preparing a report, no performance-related or contingent fees have been agreed.
- All FVAs must provide a sensitivity analysis of the results and an
  accompanying explanation and interpretation of respective calculations on
  viability, having regard to risks and an appropriate return(s). This is to allow
  decision-makers to consider how changes in inputs to a financial appraisal
  affect its viability and to reach an appropriate conclusion on the viability of the
  scheme.

<sup>&</sup>lt;sup>1</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/1000112000/1000112962/21P0082\_Viability%20Appraisal%20Report.pdf

• The FVA must be formally signed off and dated by the individuals who have carried it out and their qualifications should be included.

The FVA submitted by ULL Property does not meet any these mandatory requirements.

Notwithstanding these shortcomings, the FVA's projection of a £3 million loss gives CWRA serious cause for concern.

The appraisal assumes profit levels of 12.5% of Gross Development Value for the residential element and 15% for the commercial element. ULL Property regards these percentages as representing the lower end of the range of funders' requirements in the current market. If it is to attract funding Criterion will therefore have to make good the projected deficit by either increasing scheme income and/or reducing scheme costs.

CWRA therefore anticipates that (if the scheme is approved) Criterion will seek to renegotiate important components of the scheme, for example to:

- remove the social housing component;
- renegotiate downwards or remove any s106 planning obligations;
- forego any of the offset payments required to render the scheme carbon neutral;
- increase the number of floors; and
- cut costs through "value-engineering" (to use a term made familiar by the Grenfell Tower Fire Inquiry) with negative effects on the amenity or even the safety of the completed development.

Cost-reduction efforts such as these are familiar from earlier Criterion applications to develop this site. Renegotiation of the Council's previous planning approval led to the removal of Criterion's financial contributions towards the new library, education, open space and employment and to the proposed 50 affordable homes being taken out of the scheme.

This pattern seems certain to be repeated. Elements of the scheme that the Council might see as necessary or attractive will be negotiated out of the final development with consequent shortfalls of provision in affordable housing, highway and public transport improvements, employment, regeneration, healthcare and other

infrastructure. In order to secure the necessary finance for the scheme the local community and the wider public interest will be left short-changed.

The FVA has costed in construction risks across the scheme at 2.5%. No justification is given for this. HM Treasury's Green Book<sup>2</sup> (which provides guidance to public authorities on how to appraise projects) advises that, for non-standard buildings, capital costs should be adjusted upwards by at least 4% and by as much as 51% to take account of risk, uncertainty and optimism bias. CWRA is therefore not convinced that the FVA has taken sufficient account of construction risks.

More specifically, CWRA notes that Criterion's consultants have identified potentially substantial geotechnical risks associated with the historical development, potential shallow groundwater and risk for relic buried structures. It is also thought highly likely that archaeological work will be requested as a means of protecting potential archaeological assets. There is no evidence that the FVA has taken sufficient account of such risks.

For these reasons CWRA believes that the Council should not consider whether to approve the scheme until a revised financial viability assessment has been produced. This should include:

- sensitivity analyses to explore the effect of variations in key components of the scheme and their impact on the scheme's compliance with planning policies;
- a full consideration of construction risks and their possible effect on scheme costs.

## C. Excessive housing density

It is evident from the planning application that Criterion are seeking to leverage as much pressure on the Council as possible from the housing targets contained in the existing and new London Plans.

The London Plan 2016 Density Matrix for a site of this nature sets a broad range of housing densities of between 45 and 260 units per hectare, thereby allowing for higher densities where local circumstances justify them. The proposed density for the proposed scheme is 620 units per ha, nearly two and a half times the maximum density envisaged by the density matrix.

<sup>&</sup>lt;sup>2</sup>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/938046/The\_Green\_Book\_2020.pdf

Even allowing for the Housing Supplementary Planning Guidance, which allows maximum densities to be exceeded in exceptional circumstances, the Criterion scheme stretches the flexibility on densities well beyond anything that could be considered reasonable.

CWRA is encouraged by Merton's performance in delivering against its housing targets. We note that the most recent monitoring report<sup>3</sup> gives total completed and projected homes over the period 2011-2026 of 8,265 homes against a target of 5,801 homes. The Council is to be commended on exceeding its annual housing target in 11 of the last 15 years, and for over-achieving against its target by 40% over this period. Merton's approved schemes between 2016/17 and 2018/19 alone will deliver another 2,924 units.

CWRA notes that the Colliers Wood Island site is one of 268 brownfield sites in the borough.

Given the range and number of development opportunities across the borough and Merton's past strong performance, we believe that the Council can be confident that it can hit its future housing targets without approving schemes as out-of-kilter with their local neighbourhoods as the present proposal.

## D. Unacceptably low levels of affordable housing

Strategy (which could rise to 50% in the new Local Plan).

Criterion's application is candid about its failure to meet any of the affordable housing targets in the London Plan or Merton's Core Strategy. Despite an £8 million budget for professional fees, Criterion have developed a scheme that manages to provide only 40 affordable homes. At only 15% of the overall units, this falls woefully short of the 60% sought in the London Plan and 40% sought by Merton's Core

The reason put forward by Criterion for this shortfall is the scheme's lack of financial viability. As mentioned earlier, CWRA anticipates that once planning permission is granted (giving Criterion the whip-hand) they will negotiate the complete removal of any affordable housing from this scheme.

<sup>&</sup>lt;sup>3</sup> https://www.merton.gov.uk/assets/Documents/Authority%20Monitoring%20Report%202018-19.pdf

In CWRA's view the Council should refuse planning permission, thereby signalling the unacceptability of schemes that do not reliably deliver an adequate proportion of affordable housing.

## E. Excessive building height

Criterion's initial plans for the Colliers Wood Island site envisaged a building of 32 storeys; poor reception of this proposal from planning authorities led to the current 26 storey proposal.

Over-reach on building height is a familiar hallmark of Criterion's development proposals. In 2018, a Criterion proposal for a 52-storey residential building on Croydon's Canterbury House site was rejected by planners and replaced by an application for a 34-storey building. Although 18 storeys lower than the original proposal planning permission was refused by LB Croydon on several grounds, including excessive mass.

Everyone recognises that Britannia Point is incongruous and out of context in Colliers Wood. The suggestion that the solution to this is to build something even taller strikes us as faintly ludicrous. As the current planning policy states, the obvious solution is to have buildings that step down from the existing height of Britannia Point, not to build a new one that significantly exceeds it.

Colliers Wood already possesses "a clear visual marker" – it does not need an even bigger one.

Rather than being "beneficial and transformative on the immediate townscape" tripling the number of tall buildings outside the tube station will make the town centre look even more out of kilter with the character of the surrounding area.

The new buildings will not have "a minimal impact on the surrounding context". They will be visible from hundreds of rooms and open spaces across Colliers Wood, rob parks, playgrounds, schools and homes of natural light and create an inhospitable microclimate that makes the surrounding public spaces unsuitable for sustained enjoyment. Even the highly selective representations of the scheme in the Heritage Townscape and Visual Impact Assessment<sup>4</sup> show how the new buildings will loom over the local area.

The purported benefits of the scheme such as additional housing, new commercial opportunities and an improved public realm can be delivered by far less aggressive and intrusive designs.

CWRA therefore disagrees strongly with Criterion's arguments in favour of a 27 storey building in Colliers Wood.

## F. Construction blight

<sup>&</sup>lt;sup>4</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/ 1000112000/1000112962/21P0082\_Heritage%20Townscape%20and%20Visual%20Impact%20Assessment .pdf

Because of its excessive scale the proposed scheme will require a minimum 27-month construction phase. Over-runs on schemes of this nature are not uncommon, so the actual construction phase is likely to last longer. During this time, the local area – including shops, a primary school, an important local park, playing fields and hundreds of local residents – will be blighted by noise, dirt, pollution and disruption to their daily lives.

## G. Proposed mix and design of dwellings

The proposed scheme delivers far too low a proportion of 3-bedroom properties (only 5%). In CWRA's view this is too far out of kilter with the character of housing in Colliers Wood and does not accord sufficiently with LB Merton's current and draft future policies on housing mix.

CWRA notes that over 40% of the proposed dwellings are single aspect. Policy D6 of the London Plan states that single aspect dwellings should only be provided "where it is considered a more appropriate design solution". There are no design constraints on this site that justify such a breach of GLA policy.

## H. Loss of daylight and sunlight

Criterion appointed CPMC to assess the daylight and sunlight impacts of their proposals against criteria published by the Building Research Establishment. Conveniently for Criterion, CPMC's report<sup>5</sup> finds that

"it is our opinion proposals on balance accord with the intent and context of the planning guidance in this case".

CWRA believes that this conclusion takes insufficient account of the major impact that the two towers will have on nearby properties.

In relation to daylight losses to homes and other properties around the site, of the 493 windows tested by CPM 52% will experience adverse losses and fully 40% will

<sup>&</sup>lt;sup>5</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/1000112000/1000112962/21P0082\_Daylight%20&%20Sunlight%20Report.pdf

experience substantial losses, including windows at Singlegate School. In Britannia Point 55% of windows will experience substantial daylight losses and 37% will no longer meet the BRE daylight distribution criteria. The shadow path imagery in Appendix C of the report fails to illustrate the shadowing effects of the scheme sufficiently clearly.

As the CPMC report itself accepts "target values in the BRE Guide may not be obtainable in dense urban areas where the grain of development is tight, while higher values might well be desirable in suburban or rural areas where the grain is contrastingly open". Colliers Wood is not a dense urban area. Britannia Point excepted, the townscape is predominantly low rise. Development proposals should therefore aim as far as possible to preserve the existing (higher) daylight and sunlight values that characterise the town centre and surrounding area. The proposal for a new 26 storey tower does completely the opposite.

#### I. Wind effects

CWRA believes that Criterion has seriously underplayed the negative effect of wind conditions resulting from the proposed development.

The specialist report provided by ArcAero<sup>6</sup> find that "comfort exceedances" will continue even after the proposed wind mitigation measures have been taken. Thirteen per cent of the tested locations will be unsuitable for their proposed usage

during the worst season and 6% will be unsuitable even during summertime. Recreational spaces between the two towers are only comfortable for pedestrian standing during winter and only for short-term sitting during the summer, significantly limiting their proposed use as "breakout spaces". Importantly, the report shows that

- during the worst season none of the areas tested on the roof terraces is deemed suitable even for short-term sitting (Figure 4.5 on page 19);
- even during the summer Level 1 and the roof terrace are suitable for only short-term sitting,

This inhospitable micro-climate will detract significantly from the usability of these spaces for recreation and children's play.

<sup>&</sup>lt;sup>6</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/1000112000/1000112962/21P0082\_Wind%20Microclimate%20Assessment.pdf

In short, anticipated wind conditions will hamper the achievement of many of the purported recreational and play opportunities described in the planning application.

## J. Overheating, noise and air quality issues

CWRA contests Criterion's statement (at 8.202 of the Planning Statement) that "overheating has been managed by following the cooling hierarchy."

In fact, J S Lewis Ltd's Overheating Assessment<sup>7</sup> demonstrates that an important overheating issue remains unresolved.

Development proposals are expected to tackle over heating risks by following the GLA's "Cooling Hierarchy", which advocates (in order of preference) low energy measures (intelligent design and natural cooling measures such as openable windows) followed by mechanical ventilation (using fans to introduce cooler air from outside) and as a last resort active cooling measures (i.e. air conditioning).

## GLA guidance states that:

The increased use of air conditioning systems is generally not supported, as these have significant energy requirements and, under conventional operation, expel hot air, thereby adding to the urban heat island effect. (paragraph 8.2. GLA Energy Assessment Guidance April 2020)

and

It is not expected that 'active cooling' will be proposed for any residential developments. (ibid. paragraph 8.18)

The Overheating Assessment concludes that all habitable rooms in the proposed development pass overheating tests under the natural ventilation scenario (because residents can open windows). However, "although the building has the ability to be

<sup>&</sup>lt;sup>7</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/1000112000/1000112962/21P0082\_Overheating%20Assessment.pdf

ventilated naturally, air quality and noise implications may reduce occupants' ability to rely wholly on natural ventilation."

The assessment also finds that all kitchen/living/diner spaces fail the overheating tests under mechanical ventilation.

Confronted with this, Criterion have two choices:

- Rely on passive cooling to reduce overheating, forcing residents to choose between being too hot or opening their windows and suffering noise and air pollution; or
- Introduce active cooling, in contravention of GLA guidance.

CWRA has been unable to ascertain which option Criterion intend to choose. The Overheating Assessment suggests that this issue should be resolved "post planning". Section 3.5. on Cooling and Overheating in the Sustainable Design and Construction Statement omits to mention the final tier of the Cooling Hierarchy and therefore provides no information on Criterion's intentions regarding active cooling.

CWRA believes that the way in which overheating risks are managed is crucial to the habitability of the proposed dwellings and to the environmental impact of the scheme. The specialist's report and Criterion's planning statement leave this unclear. The Council should not consider whether to grant planning permission until Criterion's position on managing overheating risks is clear.

#### I. Provision for children

The Child Yield Estimation sheet<sup>8</sup> submitted with the planning application misapplies the GLA population ready reckoner and thereby significantly underestimates the number of children that can be expected in the new development. As a result, the scheme's provision of play space is inadequate and in breach of GLA guidance.

<sup>&</sup>lt;sup>8</sup>https://planning.merton.gov.uk/MVM.DMS/Planning%20Application/1000112000/1000112962/21P0082\_Child%20Yield%20Estimation.pdf

The ready reckoner employs three geographical aggregations: London as a whole; inner London; and Outer London. As the table low shows, the population yield varies significantly depending on which aggregation is used. Criterion has used "London" to obtain the yields shown in red. The correct designation for Merton is Outer London, which yields a much larger expected population of children (in green).

Ages in years	Yield from development		
	London	Inner London	Outer London
0-4	25.2	16.4	37.7
5-11	16.2	10.7	24.3
12-15	3.1	2.3	4.7
16-17	1.6	1.2	2.5
Total	46.1	30.6	69.2

The correct calculation gives yield of 69 children rather than the 46 calculated by Criterion. In order to comply with London Plan 2016 policy 3.6 and ItP London Plan 2019 policy S4 the scheme should provide 690 square metres of play space rather than the 460 square metres described in the scheme. The scheme therefore falls 50% short in the provision of play space required by the London Plan.

The insufficient play space that has been proposed will be located externally on the first storey podium deck of Block B ( $150m^2$ ) and the rooftops of Blocks A ( $113m^2$ ) and B ( $198m^2$ ). As mentioned earlier, the microclimate assessment has demonstrated that these spaces will be inhospitable for their intended use for significant parts of the year.