

28 February 2022

Planning Policy  
Environment and Community Services  
Town Hall  
Wandsworth High Street  
London  
SW18 2PU

Dear Sir, Madam,

## **London Borough of Wandsworth Draft Local Plan: Publication Version (Regulation 19)**

We write on behalf of our client, Schroder UK Real Estate Fund (“Schroders”), which is the owner of the Battersea Studios site. This response relates to the London Borough of Wandsworth (LBW) Publication Version of the Local Plan (Regulation 19) (“Draft Local Plan”) consultation. The consultation period ends on 28 February 2022.

In writing this letter, we do so under the statutory provisions of a Regulation 19 consultation under the Town and Country Planning (Local Planning) (England) Regulations 2012.

### **Background to Battersea Studios**

Schroders purchased the Battersea Studios site in early 2014. The Battersea Studios site comprises a two-storey building containing office and flexible workspace units, known as Battersea Studios 1 (BS1), and a five-storey building, known as Battersea Studios 2 (BS2), which is also primarily occupied with office and flexible workspace. Overall, Battersea Studios is a campus of office workspace, studios and workshops comprising a total of 9,970 sqm, largely occupied by small and medium sized enterprises.

Since acquiring Battersea Studios in 2014, Schroders has facilitated refurbishment works to provide modern workspace and communal spaces for meeting, collaborating and sharing ideas. In addition, Schroders has invested in enhancing on-site facilities, including space for cycle storage, with a view to promoting sustainable transport modes. With strong demand for the workspace already on site at Battersea Studios, Schroders is keen to continue to build on the economic success of Battersea Studios and make best use of the site to provide additional space and facilities for new and expanding businesses. The Battersea Studios campus falls within the Battersea Design and Technology Quarter (BDTQ), as is defined by the Battersea Design & Technology Quarter Economic Appraisal & Design Framework (BDTQ EADF) published in February 2020.

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An application for full planning permission was submitted on 8 February 2021 for a third workspace building at Battersea Studios, referred to as Battersea Studios 3 (BS3). The application related to the erection of a 10-storey building in a currently redundant part of the site, with 9 storeys of office space on all floors above ground and light industrial at ground floor, as well as public realm improvements. The proposed development was designed in accordance with local planning policy which recognised the opportunity to maximise the economic potential of land in the borough to provide workspace alongside industrial uses, as is the case at Battersea Studios. This application was formally withdrawn on 23 November 2021 in order to allow further conversations regarding proposed planning conditions and S106 obligations.

## **Previous Response to Regulation 18 Draft Local Plan**

Schroders submitted formal representations in response to the LBW Pre-Publication (Regulation 18) Draft Local Plan on 1 March 2021. As part of the previous consultation, Schroders proposed a series of changes, including:

- Consistent policy support for office workspace above industrial uses within SILs;
- Affordable/managed workspace and tall buildings policy to be amended to best reflect what is realistic and appropriate in the BDTQ;
- Further amendments are also proposed to ensure the accuracy of the BDTQ site allocation; and,
- The inclusion of further supporting text to support BREEAM requirements in new development.

Schroders has reviewed the Regulation 19 version of the Draft Local Plan and the Appendix 5: Responses to Local Plan Pre-Publication Consultation and Officer Comment, both in the context of current and long-term aspirations for the Battersea Studios site, and is pleased to see a number of the proposed amendments have resulted in changes to the plan. However, it is noted below where in Schroders' view comments remain outstanding, or where additional comments are now made.

## **Local Plan Review Response**

### Area Strategy for Nine Elms (Battersea Design and Technology Quarter Site Allocation)

Schroders welcomes the introduction of Creative Clusters as shown on Map 5.1, and the 'Vision' text of the Area Strategy for Nine Elms which identifies the opportunity to leverage the Battersea Power Station and Embassy district growth poles to develop the BDTQ. It is felt that this is important in recognising the differing nature of the Battersea Power Station and Embassy district when compared to areas of the BDTQ, but also the important role each of these areas play.

In the Regulation 19 version of the Draft Local Plan, Battersea Studios continues to fall within cluster 'NE8: Silverthorne Road, SW8.' Under 'Uses', Schroders welcomes the addition stating the appropriateness of industrial and office uses on upper floors, especially given the role such an approach will play in intensifying appropriate sites without eroding their industrial function.

Schroders supports the added clarity under 'Building Heights', stating that in Tall Building Zone TB-B3a-02, where Battersea Studios is located, the maximum appropriate height range for the zone is 7 to 11 storeys, but has additional comments relating to tall buildings under Policy LP4.

Schroders understands that LBW has commissioned a review of the EADF. On Schroders, we attended a workshop on 24 February 2022 to discuss the framework. Given how the draft Local Plan refers to the EADF in Policy PM3 and in site allocations within the BTDQ, the Council should confirm the status of its review of the EADF. Most importantly, it needs to ensure that any review of the EADF is not used as a reason to defer the determination of planning applications for development in the area. The EADF is a material consideration in the determination of these applications.

## Policy PM3 Nine Elms

Schroders welcomes the changes to Map 5.4 Spatial Area Map: Battersea Design and Technology Quarter made to reflect previous comments on the Regulation 18 Draft Local Plan. Schroders also remains supportive of the promotion of intensified development and the requirement to provide a mix of uses and scale of development that is consistent with the BDTQ EADF.

However, whilst noted in the Appendix 5: Responses to Local Plan Pre-Publication Consultation and Officer Comment document in response to Schroders' previous representations that the language matches that used elsewhere in the Local Plan, it remains Schroders' view that 'suggested building frontage' is an inappropriate definition for the footprint borders for suggested buildings in this location. The industrial nature of the different sites which make up the BDTQ, and the way in which they abut to each other, means it is very unlikely each of the frontages as suggested on the map would be realistically achievable, and as a result solid black lines should also be used to denote likely rear/'back of house' frontages.

## Policy LP4 Tall and Mid-Rise Buildings

In reviewing the changes made to the draft Local Plan since the Regulation 18 iteration, Schroders recognises the value of having a clearer definition for what constitutes a 'tall' and 'mid-rise' building. Furthermore, Schroders also recognises the clarity that individual tall building zone maps, such as Map 23.13 Tall Building Zone TB-B3a-02 covering Battersea Studios, may bring in making clear where taller buildings are proposed.

Whilst Map 23.13 Tall Building Zone TB-B3a-02 shows support for buildings of 7-11 storeys in this location, including Battersea Studios, an updated version of the Arup Urban Design Study (December 2021) explicitly shows support for a 9 storey development at the northern corner of the Battersea Studios site. As a result, we suggest that the colouring of Map 23.13 should be reviewed to show that the area for taller buildings should cover the majority of the area covered by the map, including Battersea Studios. The Council supports the principle of a taller building on the Battersea Studios site, and a revised approach to the map's colouring will be consistent with the policy approach of intensifying use of the industrial area.

## Policy LP33 Promoting and Protecting Offices

Schroders notes in Part B of Policy LP33 the addition that "larger businesses will also be appropriate in town centres". Whilst Schroders recognises why such locations would be appropriate for larger businesses, there may be instances outside of town centre locations, such as the BTDQ, which providing they are well connected by public transport and have the appropriate amenity and facilities, would also be appropriate for larger businesses. In such cases it may be that a development can accommodate space for SMEs, but alongside a tenant of a larger size. As such, Schroders suggests that the policy wording is amended to read "*Larger businesses will be **predominantly** appropriate in town centres, where the provision of flexible and touchdown space will also be encouraged, and **will also be appropriate in locations that are suitable for office space, such as the BDTQ***".

## Policy LP38 Affordable and Open Workspace

Schroders welcomes the amendment in Policy LP38 to recognise that the requirement for open and/or affordable workspace in developments providing more than 1,000 sqm should be subject to scheme viability.

In representations submitted on behalf of Schroders on 1 March 2021, comments were made with regard to the capped rent requirements set out in the draft policy (previously Policy LP41). For the affordable workspace requirement, and the need to provide this at a reduced capped rent, the policy applies a blanket 50% reduction to the entirety of the VNEB OA. This blanket 50% capped rent reduction for the VNEB OA has not been amended in this latest Regulation 19 version of the Draft Local Plan.

It remains Schroders' view that the rent levels across the VNEB OA vary greatly, and that whilst a 50% reduction in rent may be appropriate for areas such as the Battersea Power Station regeneration area where significant development is being brought forward, the same reduction is not appropriate for the scale and type of office space offered across the BDTQ area. Taking Battersea Studios as an example, rents are lower than parts of the remainder of the opportunity area, particularly given that developments in the area are targeted towards SMEs. As a result, the financial viability of projects in the BDTQ is more sensitive than commercial developments elsewhere in the VNEB, where higher base rents and lower yields reflect the more corporate nature of target tenants.

Due to the difference in rent levels and target tenants, Schroders also does not consider appropriate the comparison of the BDTQ, and as a result Battersea Studios, with Waterloo/Southbank and the Vauxhall Area, as noted in the Appendix 5: Responses to Local Plan Pre-Publication Consultation and Officer Comment document.

On this basis, Schroders proposes that draft Policy LP41 should be amended to differentiate the BDTQ from the remainder of the VNEB OA, and should require a 20% capped rent reduction for new affordable workspace within the BDTQ.

## Policy LP51 Parking, Servicing and Car Free Development


Schroders recognises the value of promoting active travel by using public transport to travel within the borough and the role that car-free developments play in this. Schroders also notes that in the Regulation 19 version of the Draft Local Plan, it is now stated that car-free developments will be required within areas with a PTAL rating of 4 or higher, effectively lowering the threshold at which this is required from the PTAL 5 rating previously applied in this policy.

Schroders proposes that this policy should make clearer the need to apply such a requirement on case-by-case basis, especially where, as an example, a development's parking provision may be integral to the nature of tenants and visitors it currently or proposes to serve. Therefore, Schroders proposes that Part D1 of Policy LP51 should be expanded to clarify that car-free development will be required where *"The PTAL is 4 or higher, **but assessed on a on a case-by-case basis**"*. This approach is consistent with T6.2 'Office Parking' of the adopted London Plan (2021), where it states that the role of parking at industrial sites varies considerably depending on the location and type of development proposed, and that flexibility may be applied to reflect different trip-generating characteristics and site-specific circumstances.

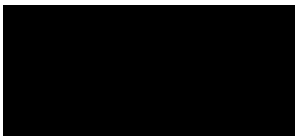
## Conclusion

To conclude, Schroders considers that the Draft Local Plan can be considered 'sound', subject to implementing the recommendations as set out above. To summarise, these are the following:

- Amending the colouring on Map 23.13 Tall Building Zone TB-B3a-02 to confirm support for taller buildings in the zone;
- Making clearer the expectations for building frontages in the BDTQ area;
- Adding the need to assess parking requirements and the siting of larger businesses in town centres on a case-by-case basis; and,
- Amending capped rent reduction rates to more accurately reflect varied rent levels across the VNEB OA.

Schroders is pleased to have the opportunity to respond to the Regulation 19 consultation on the Draft Local Plan and requests to be informed on the progress of the document. In the interim, if you have any queries, please do not hesitate to contact Phil Wright 

Yours sincerely



**Jeremy Castle**  
For Deloitte LLP