

## Wandsworth Local Plan Examination

Examination in Public Hearing Statement for Main Matter 10

Hearing Statement prepared by Savills (UK) Limited on behalf of Charities Property Fund

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## 1. Introduction

- 1.1. This Statement is prepared by Savills (UK) Limited on behalf of Charities Property Fund c/o Savills Investment Management ('SIM') in respect of the examination of the Wandsworth Local Plan ('WLP'). It provides SIM's response to the Main Matters, Issues and Questions ('MMIQs')¹ identified by the Inspectors in respect of Main Matter 10: Wandsworth Riverside.
- 1.2. SIM owns the land at 200 York Road in Battersea which is currently occupied by a hotel (Travelodge) ('Subject Property'). For Clarification, a Site Location Plan is included at Appendix 1 of this Statement.
- 1.3. The land has been actively promoted for development as part of the consultation for the emerging Local Plan. This includes representations submitted to the LP Publication (Regulation 19) Version in February 2022; a copy of which are included at **Appendix 2** of this Statement.
- 1.4. The Subject Property is allocated (Site Reference RIV10) for development of up to 10 storeys which does not represent optimisation of the site nor the best use of land.
- 1.5. It is imperative that Wandsworth has an up-to-date WLP which provides the policy framework to support sustainable development and growth in accordance with the strategic objectives of the National Planning Policy Framework ('NPPF'). As currently drafted, the WLP does not achieve this and as such it must be found to be unsound.
- 1.6. This Statement should be read in conjunction with SIM's statements to Main Matters 1 and 2.

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<sup>&</sup>lt;sup>1</sup> ID-02

### 2. Main Matter 10: Wandsworth Riverside

Is the area strategy and are the site allocation policies for Wandsworth Riverside justified by appropriate available evidence, having regard to national guidance, local context, and are they in 'general conformity' with the LP?

- 2.1. The Council has published a Schedule of Proposed Additional Modifications<sup>2</sup> which include an amendment to Paragraph 11.66 of the WLP and the proposed land uses for Site RIV10. The revised wording responds positively to SIM's previous consultation submissions requesting the allocation allows for the re-provision of the existing hotel operation.
  - "Mixed-use Residential development incorporating residential and commercial uses, that includinge opportunities for affordable creative workspace."
- 2.2. SIM supports the proposed change as this gives greater flexibility to maintain the established hotel use at the Subject Property as part of any future redevelopment scheme.
- 2.3. Whilst SIM is now supportive of the flexibility introduced in terms of land uses, the site allocation and wider Area Strategy remains unnecessarily constraining in terms of building heights. The strategy and site allocations fail to create a positive framework to ensure the potential of each site is optimised to make the best, most effective use of land.
- 2.4. Wandsworth Riverside is an area identified by the WLP as being suitable for significant development and transformation. The WLP finds it to be suitable for Tall Buildings, identifies two Focal Points of Activity and incorporates part of the Clapham Junction Opportunity Area. The analysis of the existing area also identifies existing prevailing height exceeding 20+ storeys.
- 2.5. The WLP also acknowledges that there are areas within the Riverside with unrealised placemaking potential. Transformational development schemes of allocated sites will be necessary to realise this potential and complete the network of spaces and places across the Strategy Area.
- 2.6. The Urban Design Study 2021 ('**UDS**') states that the Riverside (Character Area B2) has a '*low sensitivity*' to change with potential for targeted growth. The character is found to be '*incoherent and lacking in distinctiveness*' and so the UDS adopts a strategy to restore and improve through new developments<sup>3</sup>.
- 2.7. Figure 70 of the UDS supports this, particularly for the land in the southern part of the Area, with very limited heritage assets in close proximity to any of the site allocations (just two locally listed buildings).

<sup>&</sup>lt;sup>2</sup> Document WBC-011.

<sup>&</sup>lt;sup>3</sup> See Page 63 of the UDS.

- 2.8. The general position established by the UDS therefore is one that the Area and allocated sites within it are not particularly sensitive. As such, the Area should offer some of the greatest potential for development in the Borough.
- 2.9. The emerging policies within the WLP for the Riverside Area and Site RIV10 in particular, do not reflect the evidence base. Whilst the WLP identifies the area as being suitable for 'tall buildings'<sup>4</sup>, it imposes a maximum 'appropriate' height of 10 storeys.
- 2.10. Appendix A of the UDS is the only technical analysis undertaken to inform the maximum heights stipulated within the WLP. The 'high level' analysis within the Appendix relates to just ten sites across the Borough. It is further stated at page 212 of the UDS that:

'The scenarios developed are prepared solely for the purpose of testing additional height and density at a site and are not intended to be viable site specific masterplan proposals. In all cases, further analysis will be required to determine actual proposals for individual sites on the basis of **detailed review and analysis of the specific local context which is not part of the scope of this borough-wide study**'. (Savills emphasis).

- 2.11. Just ten sites, assessed at 'high level' and without a detailed review and analysis of the local context, form the basis of development control thresholds applied to multiple development sites across 29 Tall Building Zones identified within the Borough. The evidence is simply not sufficiently extensive or accurate to support policies which are so prescriptive in terms of future development potential (i.e. maximum development height of 7 10 storeys as at RIV10).
- 2.12. The WLP links Tall Building Zones TB-B2-02, TB-B2-05 and TB-B2-06 and applies the same upper threshold for height (10 Storeys). The analysis within the UDS is for a 'Riverside Cluster' which has been used to inform all of the above Zones and TB-B1-03. The high level concept massing is focused along Lombard Road (B305) and the northern part of the Riverside Area. This part of the Area has very different townscape characteristics than Tall Building Zone TB-B2-06 including proximity to the more sensitive fabric around Battersea Square.
- 2.13. The analysis within the UDS in relation to TB-B2-02 is not representative of the local established and emerging context of TB-B2-06.
- 2.14. The UDS simply states that there is planning permission for two developments exceeding 20 storeys along York Road and as such there is not considered to be capacity for any further 'very tall buildings' due to the potential impacts on the character of the River Thames. There is no detailed townscape rationale for that statement (such as harm to key views or vistas), it simply refers to the fact that there are already substantial developments along the River Thames. Contrary to the position of the UDS and emerging WLP, we consider there is an opportunity for successful clusters of very tall buildings as part of the overarching requirements to make best use of land and achieve sustainable forms of development<sup>5</sup>.

<sup>&</sup>lt;sup>4</sup> Tall Building Zone TB-B2-06.

<sup>&</sup>lt;sup>5</sup> See Criteria B of Policy D3 of the London Plan and the SIM responses in respect of MM1 and MM2.

- 2.15. Whilst the UDS does consider existing building heights (Fig. 215) and the location of existing (Fig. 216) and recently approved (Fig. 217) tall buildings it is difficult to determine how this has informed the character study for Wandsworth Town and Riverside.
- 2.16. At a finer grain, there is very little analysis in respect of how these existing and consented tall buildings have influenced the immediate context which applies to each of the site allocations. In respect of RIV10, there are a number of existing and permitted high density developments which include the adjacent Coda development scheme at 6 York Place (up to 24 storeys) and the Plantation Wharf site to the north (18 storeys). The wider context is also influenced by taller buildings at York Gardens and Viewpoint.
- 2.17. A series of images from VU.CITY which illustrate this context are provided at **Appendix 3** of this Statement. These identity the Subject Property (in red) alongside those schemes which have been granted permission (yellow), are under construction (blue) and been recently completed (grey).
- 2.18. The UDS fails to properly recognise the role that these tall buildings contribute to the character of Wandsworth Riverside, in particular the consistent legible rhythm that exists along York Road. Given this position, there is no clear explanation or justification to support the imposition of a 7-10 storey height cap for RIV10.
- 2.19. Critically, the main consideration for why the Council has determined that such a cap is required relates to potential impacts on the character of the River Thames. As previously set out as part of SIM's representations to the Regulation 19 Version Local Plan, RIV10 does not include a river frontage and is in fact set back from the river by circa 120m. It follows that any development scheme which is brought forward at the Subject Property would be not result in any significant impacts on the character of the River Thames (given the adjacencies and wider context). This is clearly demonstrated by the images from VU:CITY which provide views towards the Subject Property from Wandsworth Bridge and Imperial Wharf. In both views, the existing character is already informed by a cluster of taller buildings which sit closer to the River Thames than the Subject Property.
- 2.20. Policy D3 of the London Plan is explicit that authorities should **positively consider** expansion of areas of higher density buildings which have good accessibility<sup>6</sup>. There is no evidence that the Council has carried out that exercise to inform the WLP and as such it cannot be found to be properly justified.
- 2.21. London Plan Policy D9 recognises that tall buildings have a role to play in helping London accommodate its expected growth. Paragraph 14.26 of the emerging WLP acknowledges that tall buildings can make a positive contribution to the character<sup>7</sup> and legibility of an area as well as optimising the use of land.
- 2.22. It has been established through the delivery and recent grant of planning permission for multiple tall and very tall buildings across the Borough that it is possible to mitigate concerns around scale and mass through careful and appropriate design.

<sup>&</sup>lt;sup>6</sup> Site RIV10 has a PTAL Rating of 6a.

<sup>&</sup>lt;sup>7</sup> A specific target for development within the Battersea Riverside Character Area (B2) – see the UDS.

- 2.23. The emerging allocation for RIV10 (and for a number of other sites across both the Wandsworth Riverside Strategy Area and Borough as a whole) is therefore unduly restrictive. It imposes an inflexible cap on development potential without sufficient justification or robust evidence. It does not accord with the strategic policy objectives of the London Plan<sup>8</sup> or the NPPF<sup>9</sup> which seek to optimise site potential and make the best use of land. This is an essential part of the overarching objective which is to achieve sustainable forms of development.
- 2.24. A solution would be to incorporate greater flexibility within the 'Tall Building Zones' and corresponding site allocations by increasing the provision for maximum heights. Maximum heights can still then be made the subject of specific design and townscape analysis on a site by site basis via the application process. This would accord with the approach established by Policy D3 of the London Plan.
- 2.25. Without the ability to deliver larger scale, higher density development on sites such as RIV10, new housing and the wider physical regeneration policy objectives (such as delivery of enhanced public realm and new creative workspace) will not be realised.

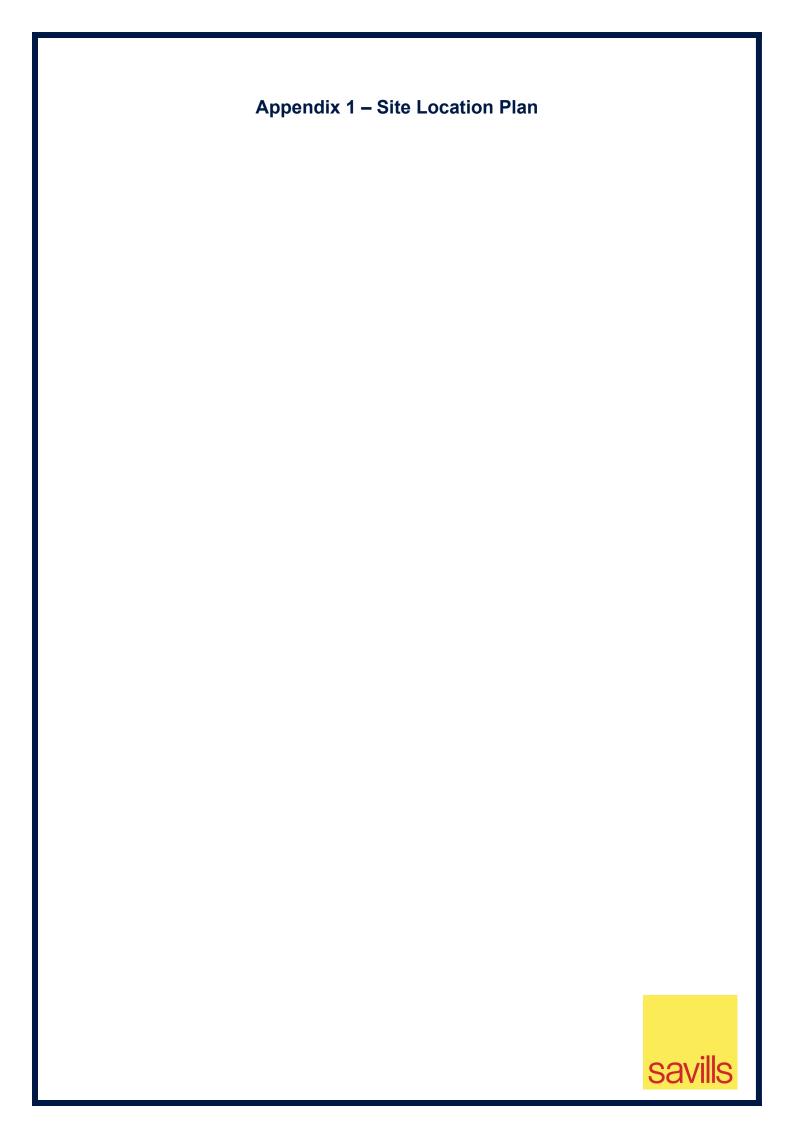
Are the housing land site allocations in Wandsworth Riverside deliverable and do they show how they will contribute to the achievement of the WLP's overall housing requirement of at least 20311 new homes and its timescale for delivery?

- 2.26. The effect of the emerging Area Strategies, Tall Building Zones and site allocations within the WLP will be to render many redevelopment schemes unviable. That will have a material impact on the supply of land for both housing, commercial floorspace and other uses (e.g. community) and the realisation of physical and economic regeneration.
- 2.27. As set out above, the blanket and (critically) inflexible approach to heights imposed by the emerging WLP will constrain the true capacity of sites within the Borough. Such an approach is in direct conflict with national and London Plan policies, has not been viability tested and may prejudice the ability of development sites to achieve other policies in the emerging WLP such as the required affordable housing levels and tenure. The approach would fundamentally undermine the deliverability of the plan.
- 2.28. To provide evidence to support the position in this Statement, an assessment of viability has been completed for the Subject Property. That analysis compares a Site Value Benchmark ('SVB'); otherwise known as 'Benchmark Land Value' ('BLV'), to the Residual Land Value ('RLV') of a hypothetical scheme. Where the RLV is lower and / or not sufficiently higher than the SVB the project is not considered to be viable in planning terms and would unlikely be brought forward as a result.
- 2.29. A copy of the Viability Assesment is provided at **Appendix 4** of this Statement.

<sup>&</sup>lt;sup>8</sup> Polices GG2, GG4, D3 and H1).

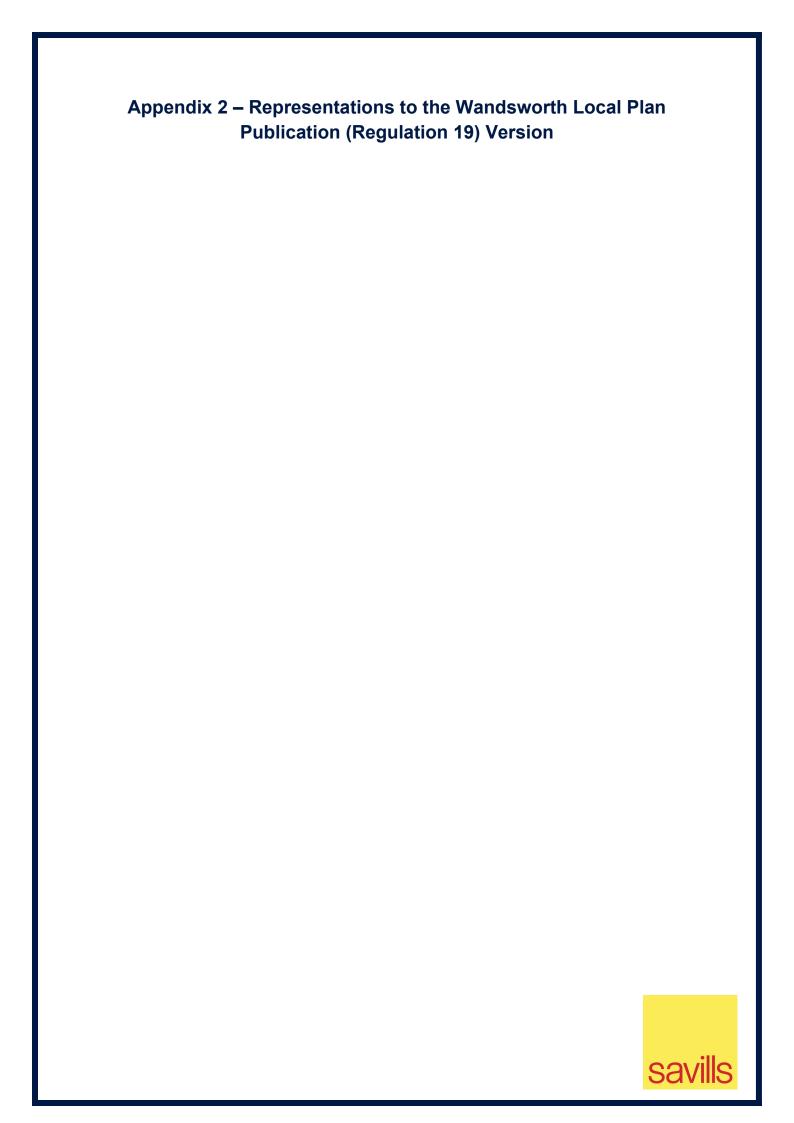
<sup>&</sup>lt;sup>9</sup> Paragraphs 8, 16 and Section 11.

- 2.30. In order to assess the impact of the 10 storey height cap proposed by the emerging allocation an appraisal has considered the viability of a policy compliant scheme at the Subject Property. This assumes that the emerging allocation for RIV10 is adopted as currently drafted thereby setting a height restricted parameter for the developable envelope.
- 2.31. The appraisal finds that the RLV based upon an optimised residential-led mixed use development scheme falls below the site specific SVB with a deficit of £14.3m. It is clear that a scheme complaint with the emerging allocation would be unviable given such a substantial deficit.
- 2.32. The initial analysis of viability provides clear evidence that the imposition of restrictive and unjustified building heights will pose a significant risk to the delivery of RIV10 and a large number of sites across the Borough. The effect will be to reduce the supply of land for housing and delivery of residential units to meet local need in line with the objectively assessed need. It will also reduce local economic productivity by restricting private sector investment, as well as blocking the delivery of additional and more modern commercial floorspace.
- 2.33. The evidence provided as part of this Statement demonstrates that site allocation RIV10 would not be deliverable and as such, the housing land supply assumed within the emerging WLP is not justified nor can it be considered sound.
- 2.34. The Council must introduce greater flexibility within the policy framework both to meet its local land supply requirements and accord with the overarching objectives of the London Plan and NPPF in respect of making the best use of land and achieving sustainable development.





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Dear Sir or Madam

LONDON BOROUGH OF WANDSWORTH LOCAL PLAN REVIEW CONSULTATION ON THE LOCAL PLAN PUBLICATION (REGULATION 19) VERSION (JANUARY 2022) REPRESENTATIONS MADE ON BEHALF OF CHARITIES PROPETY FUND

#### Introduction

We write on behalf of our client, Charities Property Fund c/o Savills Investment Management LLP ('SIM'), in respect of its interests in land at 200 York Road, Battersea, London, SW11, 3SA.

Specially, this correspondence is submitted to provide a formal consultation response to the London Borough of Wandsworth Draft Local Plan Publication (Regulation 19) Version (January 2022) (the '**Publication Draft Local Plan**').

SIM acts on behalf of the freehold owner of the land at 200 York Road ('the Site'). This currently comprises of an existing 3-5 storey building which is currently occupied by Travelodge as a hotel with associated car parking and access.

The Site is currently proposed for allocation for residential and commercial uses within the Publication Draft Local Plan under Site Allocation Ref: 'RIV10' – 200 York Road, Travelodge Hotel, SW11'.

SIM supports the overarching aspirations for investment and growth within Wandsworth as detailed within the Publication Draft Local Plan. However, it strongly advocates that in order to help realise these aspirations and for the Draft Local Plan to be found 'sound', the Council should make material amendments to the emerging Local Plan in order to capture greater potential for the redevelopment and / or intensification of existing 'brownfield sites'.

In particular, Site Allocation RIV10 presents a significant opportunity for intensification in terms of quantum and diversification of uses, as part of a comprehensive residential led mixed use development which includes taller buildings than currently identified.

It should be noted that our client has only recently acquired the Site and therefore wasn't in a position to submit representations to earlier stages of consultation that have been previously undertaken by the Council. As such we would welcome the opportunity to meet with officers to discuss the range of issues relating to its current evidence base and the potential for the Site to better contribute towards meeting strategic objectives as outlined by the Publication Draft Local Plan.





We trust that the content of this consultation response will be considered fully by the Local Planning Authority('LPA') and afforded the appropriate level of weight in preparing the next version of the Local Plan.

#### **Executive Summary**

In summary, whilst our client would confirm its support for the identification of Site Allocation RIV10 in principle, it **strongly objects** to the imposition of a maximum height range of 7-10 storeys as currently set out at paragraph 11.69 of the Publication Draft Local Plan for the following reasons:

- 1. The Wandsworth Borough Council Urban Design Study Executive Summary (December 2021) which forms part of the technical evidence base for the Publication Draft Local Plan does not support the proposed limitation on building heights at the Site, which benefits from a surrounding context which includes tall buildings (existing and proposed buildings of 20 storeys or greater).
- Capping building heights at the Site in the manner currently proposed would significantly limit the
  prospects of securing redevelopment due to the impact on overall scheme viability. It follows that
  any regeneration objectives (e.g. improved public realm and contribution to the delivery of
  commercial uses / Focal Points of Activity aren't realised) and an increase in residential numbers
  and hotel bed spaces is lost.
- 3. Site Allocation RIV10 as drafted fails to optimise the development potential of the Site. This is in direct conflict with the aspirations of the London Plan and the overarching strategic objective to secure sustainable development and make most effective use of land as set out in the NPPF.

Based on the above the Publication Draft Local Plan as drafted, and particularly in regard to allocation RIV10, does not meet the tests of soundness identified at Paragraph 35 of the National Planning Policy Framework ('NPPF'). In particular, it is not justified, not effective and is inconsistent with the provisions of the NPPF and the London Plan 2021.

In failing to plan positively to realise the potential / capacity of the Site the Council serves to place unnecessary and undue stress on other areas of the Borough and elsewhere in Greater London to meet an identified requirement for the delivery of new homes.

Our client also requests that Site Allocation RIV10 is amended to include provision for hotel uses to be retained at the Site as part of any comprehensive development scheme. Such uses would ensure that there is sufficient flexibility to enable re-provision of the existing hotel facility in a location where this can continue to support the Borough's visitor economy.

The justification for our requested amendments to the emerging Local Plan are set out in further detail as part of this consultation response.

#### The Site

As set out above, our client's land ownership comprises the Site at 200 York Road.

It measures approximately 0.25ha and is bound to the east by York Road and to the north by Gartons Way. The Site currently accommodates a 3-5 storey Travelodge hotel with associated car parking and access.

The Site is well located for public transport, being roughly 10-15 minutes' walk from both Clapham Junction and Wandsworth Town railway stations. It has a Public Transport Accessibility Level (PTAL) score of 6B ('Excellent'), which is the highest possible designation and defines it to be in a very sustainable location accessible by a wide range of public transport modes.



In respect of surrounding context, the Site forms part of an immediate area which includes a number of existing and permitted high density developments. This includes the adjacent Coda development site located to the immediate north east where permission was granted by the Council in 2018 for a mixed use scheme of 6-24 storeys (up to 81.95 metres tall) and the Plantation Wharf site to the north which comprises 16-18 storeys.

#### Representations to the Publication Draft Local Plan

The Publication Draft Local Plan consultation seeks to identify sites to meet Wandsworth's need for housing, employment sites and other uses.

It is further stated that Site Allocations are identified as the key sites which are considered to assist with the delivery of the Borough's Spatial Strategy which targets the provision of a minimum of 20,311 new homes over the Local Plan period (2023-2038).

Whilst our representations are focussed primarily on the Council's proposed wording for draft Site Allocation RIV10 we would note that the comments made also relate to the delivery of the wider strategic policies of the Publication Draft Local Plan by association. In particular, it is maintained that the Council's failure to optimise the development potential of appropriate sites such as RIV10 place undue and unnecessary pressure on other parts of the Borough / other Boroughs within Greater London.

We set out our responses to the relevant elements of the Publication Draft Local Plan and associated evidence base below.

#### **General Comments**

The National Planning Policy Framework ('NPPF') requires all Local Plans to be based upon and reflect the presumption in favour of sustainable development, with clear policies that will guide how the presumption should be applied locally.

Local planning authorities should positively seek opportunities to meet the development needs of their area and Local Plans should meet objectively assessed needs with sufficient flexibility to adapt to rapid change.

They should be consistent with the principles and policies of the NPPF, and should be aspirational but realistic to address spatial implication of economic, social and environmental dimensions.

Planning policies should amongst other things be 'flexible enough to accommodate needs not anticipated in the plan...to enable a rapid response to changes in economic circumstances'3. Paragraph 120 states that planning policies should encourage multiple benefits from urban land.

At the heart of the above is a presumption in favour of sustainable development which for plan-making means positively seeking opportunities to meet development needs of an area, and be sufficiently flexible to adapt to rapid change.

As the new Wandsworth Local Plan emerges, it is important that it adheres to the requirements of the NPPF in positively promoting new development in sustainable locations across the Borough.

We provide commentary on the overall context, vision and area strategies as set out within the Publication Draft Local Plan below. These matters all necessarily inform the more detailed consideration of the allocation of the Site.

#### Spatial Strategy

In respect of the Spatial Strategy outlined by the Publication Draft Local Plan it is noted that the Site is identified to form part of the Clapham Junction Opportunity Area as illustrated at Map 2.1 Key Diagram on page 32 of the consultation document.



Policy SD1 of the London Plan 2021 states that the Mayor will take steps to ensure that Opportunity Areas <u>fully</u> <u>realise their growth</u> and regeneration potential. This includes supporting regeneration, and ensuring that Opportunity Areas maximise the delivery of affordable housing and create mixed and inclusive communities.

This policy also sets out that Boroughs (including LB Wandsworth), through Development Plans and decisions, should clearly set out how they will encourage and deliver the growth potential of Opportunity Areas. This includes a requirement to establish the capacity for growth in order to take account of indicative capacity for homes and jobs as set out at Table 2.1 of the London Plan 2021.

Table 2.1 of the London Plan states that the Clapham Junction Opportunity Area is expected to deliver an indicative capacity of 2,500 homes and 2,500 jobs for the period up to 2041. Whilst the specific boundary for this Opportunity Area is still yet to be defined the inclusion of the Site within the indicative area for this signals a requirement for proper consideration of how it can fully contribute towards the targets set out by the adopted London Plan.

The Publication Draft Local Plan confirms that the London Plan sets a target for Wandsworth of 19,500 additional homes to be provided over a ten-year period from 2019/20 to 2028/29 (paragraph 2.8).

In order to achieve this, the Council sets out a Spatial Development Strategy at Draft Policy SDS1 of the Publication Draft Local Plan. Part A of this Strategy states that within the period 2023-2038 provision will be made for a minimum of 20,311 new homes to be delivered within the Borough.

The Council further states that the new homes which are required will be allocated in accordance with a sequential approach set out at Draft Policy SDS1. This approach prioritises the delivery of new homes at a series of locations which are characterised by their strategic economic role and/or opportunities for regeneration.

The Site is located within the defined boundary of 'Wandsworth's Riverside' for which the Overarching Area Strategy set out at Draft Policy SDS1 establishes a total capacity for 1,098 new homes. It follows that the redevelopment of the Site will be critical to the realisation of the Council's ability to meet its required housing targets in this part of the Borough. This is an important consideration in respect of the context for determining the appropriateness of any height limitations proposed for the Site.

#### Approach to Tall Buildings

The Publication Draft Local Plan identifies that the Site is located within an area appropriate for 'tall buildings' as defined on the map at Appendix 2. Specifically, the allocation of the Site (RIV10) forms part of tall building zone TB-B2-06 where a maximum appropriate height range of 7 to 10 storeys is imposed.

Previously, the Site had formed part of an area that was identified for 'opportunities for tall building clusters and/or landmarks' within the Pre-Publication Draft Local Plan (November 2020).

This position was established through analysis undertaken by Arup within the December 2020 Urban Design Study which forms part of the evidence base for the emerging Wandsworth Local Plan.

It is notable that the Pre-Publication Draft Local Plan did not seek to impose any specific limitations on the height of tall buildings for Site Allocation RIV10. Conversely, it sought to establish that the threshold for where a building would be considered as 'tall' at the Site was 8 storeys. The Pre-Publication Draft Local Plan subsequently sought to impose a requirement for any development proposals for tall buildings at the Site to be assessed in accordance with Local Plan Policy LP4. This requirement is replicated within the Publication Draft Local Plan for which these representations seek to respond to.

Policy LP4 of the Pre-Publication and Publication Draft Local Plan documents state that proposals for tall buildings will only be appropriate in tall building zones (as defined at Appendix 2) and assessed against the criteria set out in Parts C and D of the London Plan Policy D9 and those set out at Policy LP4.



London Plan Policy D9 Part C relates to visual, functional, environmental and cumulative impacts associated with tall buildings whilst Part D deals with opportunities for public access.

Critically, the definition of tall buildings, as set out at Part A of Policy D9, reads that this should be based on local context. Furthermore, paragraph 3.9.2 of the London Plan states that Boroughs should determine and identify locations where tall buildings may be an appropriate form of development with reference to their form, character and capacity for growth.

The supporting text to London Plan Policy D9 (paragraph 3.9.3) further states that in large areas of extensive change, such as Opportunity Areas, the threshold for what constitutes a tall building should relate to the evolving (not just the existing) context.

Wandsworth Publication Draft Local Plan Policy LP4 builds upon this further by proposing a requirement to consider any impacts on spatial hierarchy. In this respect, Policy LP4 part B-7 states that the massing of any proposed tall buildings should be proportionate to the local environment.

In reviewing the requirements of the adopted London Plan and emerging Wandsworth Local Plan it is clear that the established context is a key factor to determining what is an appropriate height for any future development proposals which may include tall buildings.

It follows that there is a need to consider the immediate existing and evolving context for the Site in order to determine an appropriate height for tall buildings at Allocation RIV10. In this case it is noted that the approved Coda development scheme (currently under construction) and located directly adjacent to the Site includes provision for up to 24 storeys. As such, this sets the context for what is a 'landmark' style development within this area of Wandsworth's Riverside and particularly when read within the context of existing tall buildings nearby such as Battersea Reach (16 storeys) and Plantation Wharf (18 storeys).

The Site is also located within the defined boundary of the Lombard Road / York Road Riverside Focal Point for which the Council adopted a Supplementary Planning Document for in December 2015.

At page 7 of the SPD it is stated that the Site forms part of a "cluster of sites at the southern end of the Focal Point and represents one of the other significant opportunities to create a new 'destination' quarter based on the arts and creative workspace.

The Site is assessed in further detail at page 32 of the SPD. Here, it is noted that the height at which a development in this location will be considered 'tall' is 9 storeys<sup>1</sup>. Furthermore, the justification for a tall building in this location is that it would have the potential to allow the delivery of high quality public realm at ground level and could be a positive feature in the townscape.

In accordance with the objectives that were established by the Focal Point SPD, the area around York Road area has been undergoing a process of redevelopment in recent years. This includes the Coda development to the immediate north east of the Site, which was granted planning permission in February 2018 and comprises a mixed use residential scheme of 6 - 24 storeys (up to 81.95 metres tall).

Whilst it is acknowledged that the approval of the Coda scheme pre-dates the Publication Draft Local Plan it should still be noted that heights of up to 24 storeys was deemed to be acceptable. As set out above, this scheme is considered to act as the marker for what is considered to be a landmark building within this area of the Borough and provides the context to which other tall buildings such as Plantation Wharf (18 storeys) and Battersea Rise (16 storeys) respond to.

Given the proximity of the Site to the Coda development scheme and the fact that both exhibit similar characteristics (frontage to York Road and similar set back from the River Thames) it follows that the general parameters for what is an appropriate height for taller buildings should be applied with a degree of consistency.

<sup>&</sup>lt;sup>1</sup> This is 2 storeys higher than the lower end of the maximum height range which the Publication Draft Local Plan seeks to impose for Site Allocation RIV10



Specifically, this should facilitate the potential for any future development scheme at the Site to respond directly to the immediate context which has already been established. Conversely, the imposition of a maximum height range of 7-10 storeys for Site Allocation RIV10 as currently proposed by the Publication Draft Local Plan prevents this from being realised and is not consistent with the London Plan or NPPF.

It is understood that the introduction of those specific height parameters set out above arises from analysis undertaken by Arup as part of the December 2021 Urban Design Study. We provide further comment on this document below as part of our representations to Draft Site Allocation RIV10.

Area Strategy for Wandsworth's Riverside Area

As set out above, the Site is identified to form part of Wandsworth's Riverside Area within the Publication Draft Local Plan and the strategy for this area is set out at Section 11 of the document.

Paragraphs 11.3 and 11.4 of the Publication Draft Local Plan establish that whilst the Council has been successful in leveraging and encouraging investment through designating particular stretches of the riverside as Focal Points of Activity, there remain sections with unrealised placemaking potential.

In particular, paragraph 11.4 identifies the stretch, focused on Lombard Road/York Road, as an area where regeneration is an ongoing process – with some sites recently completed, underway or planned for, and others yet to be redeveloped. This paragraph further surmises that the concentration of riverside Site Allocations within this location (including RIV10) presents an opportunity for further change with specific reference made to transformation through residential-led mixed-use development with the scope for some tall buildings.

Paragraph 11.4 also indicates that as in other Focal Points of Activity the allocations within Wandsworth's Riverside should seek to create activity and vibrancy on the ground-floor, with restaurants, cafes, bars and cultural spaces. Notwithstanding this, it is also noted that the scale of such uses should be limited to serving local needs only such that they do not compete with the Borough's town and local centres. This is understood to outline the position for consideration of any commercial uses to be brought forward as part of any residential led mixed use development scheme at Allocation RIV10.

In terms of existing context, paragraph 11.14 of the Publication Draft Local Plan states that the riverside north of Wandsworth Town is characterised by a mixture of tall residential buildings. Paragraph 11.15 subsequently states that further to the east Battersea Riverside is generally characterised by a coarse urban grain with limited tree cover and large scale buildings. It follows that the Publication Draft Local Plan acknowledged the prevalence of existing taller buildings within the immediate vicinity of the Site.

The Vision for Wandsworth's Riverside as set out at paragraph 11.18 of the Publication Draft Local Plan includes reference to the Council's intention to promote residential-led redevelopment to provide new housing, with a mix of small-scale commercial uses in Focal Points of Activity to bring vibrancy to these areas and meet the needs of local residents.

Draft Policy PM9 of the Publication Draft Local Plan is subsequently informed by the existing context and vision as summarised above. Point 2 of this Policy establishes a series of criteria which Site Allocations within Wandsworth's Riverside should seek to meet. Specifically, criteria a. stipulates that allocations should create a positive front to the water whilst criteria d. encourages the preservation of linear views along the river.

In this regard, it is noted that Site Allocation RIV10 is not referenced as being required to meet the criteria set out at Point 2 of Draft Policy PM9 despite it forming part of the Area Strategy for Wandsworth's Riverside. This is of course due to the fact that it does not include a river frontage, being located on York Road and set back from the river by circa 120m.



This underlines the fact that whilst forming part of the Area Strategy for Wandsworth's Riverside, Site Allocation RIV10 exhibits entirely different characteristics to those other allocations (RIV1-9) which do have a river frontage and thus needs to be considered on an individual basis. Such consideration would necessarily be informed by the fact the Site is located on a primary route from Wandsworth Roundabout towards Battersea Park (and onward into Central London) and with reference to its existing and future context which includes heights of up to 24 storeys.

We provide our detailed comments to support our objection to Draft Site Allocation RIV10 as currently worded and the evidence base which has informed this below.

#### **Draft Site Allocation RIV10**

As set out above, the Site is proposed to be allocated for residential and commercial development in the emerging Wandsworth Local Plan under Allocation Reference RIV10.

SIM supports the identification of this allocation in principle. The redevelopment of this site will help to meet strategic objectives in terms of residential land supply, economic growth and employment generation within Wandsworth in the mid to long term.

The allocation is also identified to form part of a tall building zone (TB-B2-06) where the Council has established that higher densities would be appropriate. Again, SIM welcomes the recognition of this potential and is supportive of the principle of tall buildings being delivered at the Site.

Notwithstanding the above, SIM <u>strongly opposes</u> the introduction of maximum appropriate height range of 7-10 storeys for the allocation as set out at paragraph 11.69, given the issues with the accuracy and application of the evidence base which has been used to determine those parameters.

SIM would also request that greater flexibility is afforded by the Site Allocation to enable the re-provision of the existing hotel facility as part of any comprehensive mixed use development scheme.

We provide further analysis of the component parts of the draft Site Allocation and our suggested amends to these below where relevant.

#### Paragraph 11.66

Paragraph 11.66 of RIV10 states that the allocation is proposed for "residential development and commercial uses that include opportunities for affordable creative workspace".

Whilst SIM supports the proposed allocation of the site for residential led development in principle, we request that the allocation should be amended to include the delivery of new hotel accommodation as part of a mixed use development scheme.

The support for such uses would allow for the re-provision of the existing hotel facility (Travelodge) at the Site in a highly accessible and sustainable location close to the River Thames and major rail infrastructure to the overall benefit of the Borough's visitor economy.

This amendment also accounts for the fact that there is limited space at the Site (which is only 0.25ha) for additional commercial uses which would be able to create an active ground floor frontage onto York Road. Given these constraints it is proposed that a replacement hotel facility would be better placed to incorporate facilities such as a café / restaurant at ground floor level as part of a more integrated offer which is primarily focused at guests. This would also align with the strategy for limiting the delivery of commercial floorspace at site allocations within Wandsworth's Riverside to serving local needs only.

We request that Paragraph 11.66 of Site Allocation DIV10 is amended to include specific support for residential, hotel and commercial land uses. In particular, we propose that the policy text which relates to the proposed uses to be delivered by the site allocation be updated to read as follows:



"Mixed use development including residential uses, re-provision of existing hotel facility with commercial uses which serve local needs".

The above alteration would ensure that the Plan is positively prepared and will make the most effective use of previously developed land. Furthermore, it would enable any future development scheme to respond appropriately to market forces in terms of what is a viable and deliverable. This flexibility is critical and is demonstrative that, prior to comprehensive redevelopment, asset management objectives for the existing hotel floorspace would not be considered to prejudice the longer term aspirations of the emerging Local Plan.

#### Paragraph 11.67

Paragraph 11.67 states that Site Allocation RIV10 has the potential, when developed in conjunction with Gartons Industrial Estate (RIV4) and the surrounding area, to become a new creative quarter within this part of the focal point area.

SIM supports the aspirations for the new 'creative quarter' but reiterates the requirement for any redevelopment to include the provision of a replacement hotel to support the wider commercial function of the locality, for the reasons set out above.

#### Paragraph 11.68

Paragraph 11.68 states that the allocation should aim to contribute to the townscape and pedestrian amenity in York Road and contribute to the provision of a new public space at the junction of Gartons Way and York Place.

SIM supports the aspirations as set out at paragraph 11.68 and would reiterate that the development of their Site presents a major opportunity to enhance the townscape and condition of the public realm along York Road. Notwithstanding this, it is noted that the ability to secure these improvements will only be realised if a viable development scheme can be delivered at the Site. It follows that the realisation of these benefits is directly linked to the height and density which can be achieved at the allocation.

At present, the capping of heights to 10 storeys as currently proposed by the draft allocation is not justified and would significantly limit the prospects of delivering a viable development scheme. This would ultimately mean the wider regeneration objectives (e.g. improved public realm and contribution to a defined Focal Point of Activity) could not be achieved.

#### Paragraph 11.69

Paragraph 11.69 states that the maximum appropriate height range for tall building zone TB-B2-06 is 7 to 10 storeys. As such, it is intimated that the height of any developments within that zone should not exceed the identified maximum appropriate heights in line with Policy LP4 of the Local Plan.

The introduction of the maximum appropriate height range has been informed by analysis undertaken by Arup which is presented in the December 2021 Urban Design Study and forms part of the technical evidence base for the Wandsworth Local Plan.

As set out in the Executive Summary, we consider that the findings of the Urban Design Study do not support the proposed limitation on maximum building heights currently proposed for Site Allocation RIV10. Accordingly, we set out our own analysis below to challenge this position. This includes consideration of the specific urban design and townscape considerations applicable to the Site, review of the methodology undertaken by Arup to inform its findings and our overall conclusions which support the potential for significantly taller buildings at Allocation RIV10.



#### 1. The Site and its context – urban design and townscape considerations

The Site, is located on the northwestern side of York Road, approximately 120m south east of the River Thames. It currently accommodates a Travelodge hotel, in a 'H' plan, with surface parking either side of the main wing. The southeastern block of the hotel rises to three storeys, with the remainder two blocks rising to five storeys, with plant and telecommunications aerials above. The existing building on the site is of poor architectural and urban design quality, with limited active frontages (including onto York Road itself). The building also sits at an odd angle to York Road, further exacerbating its poor relationship with the streetscape and the immediate context around it.

The Site is not located in any of the London View Management Framework (LVMF) viewing corridors, nor is it located in any of the Wandsworth Local or Designated views or Views of Interest (as shown in Fig. 70 of the December 2021 Urban Design Study).

As set out above, Arup conducted an Urban Design Study: Characterisation, development capacity and design guidance for Wandsworth Borough Council, which was published in December 2020. A further, updated version of this study, entitled Urban Design Study – Executive Summary: Characterisation, development capacity and design guidance was published in December 2021.

The Site is identified in both studies in the B2 Battersea Riverside area with minimal changes between the two versions in the analysis of key characteristics, valued features, negative qualities, building types, strategy and character area design guidance. Critically, the Site was deemed to be located within an area of 'lower sensitivity', 'higher probability for change' and 'higher development capacity at pages 8, 9 and 10 of the 2021 Urban Design Study. This necessarily forms the spatial context for the consideration of what is an appropriate height for site specific applications.

Furthermore, it is noted that the Battersea Riverside Character Area is identified to have a low sensitivity to change with potential for targeted growth with the exception of Battersea Conservation Area (which has high sensitivity) at page 63 of the 2021 Urban Design Study. In comparison it is noted that the Character Area was deemed to have a medium sensitivity to change with potential for targeted growth at page 71 of the 2020 Urban Design Study. This represents a material reduction in the level of sensitivity which is to be applied to the Character Area between the two studies and demonstrates the lack of any evidence based justification for the height limit of 10 stories as currently proposed. Given that the 2020 Study previously informed the context for taller buildings of 8 storeys or more being considered appropriate at Allocation RIV10 it is inconceivable that a lower degree of sensitivity to change could support a reduction in height. Conversely, a lower degree of sensitivity should in fact allow for more flexibility in future development, which should also apply to height.

The Site in its current condition is a negative contributor to the townscape. The emerging immediate context of the Site is one of tall buildings, with the Coda development to the northeast (on the other side of Gartons Way) and Plantation Wharf (closer to the River) rising at 24 and 18 storeys respectively. This context, and the Site's setting away from the river and its corner position on a busy road make it an entirely appropriate location for a taller landmark building.

#### 2. Identification of Site Allocation RIV10

A Pre-Publication Draft Local Plan was published for consultation in November 2020 by the Council. In it, the Site is identified as site allocation RIV10 and under Design Requirements – Tall Buildings it states that: 'In accordance with the Urban Design Study and the tall buildings maps in Appendix 2 the site is located in an area which has opportunities for tall building clusters and/or landmarks, and the height at which buildings will be considered as 'tall' is 8 storeys and above.

The Council subsequently published the Pre-Publication Draft Local Plan for consultation in January 2022, along with the Policy Map Changes document. The Site remains under site allocation RIV10, however it has been grouped into tall building zone TB-B2-06, along with RIV3 (11-25 Chatfield Road and 41-47 Mendip Road) and RIV4 (Gartons Industrial Estate).



In the Building Heights section for RIV10 it states: 'In accordance with the tall building maps in Appendix 2, the site is located in tall building zone TB-B2-06. The maximum appropriate height range for the zone is 7 to 10 storeys, and the maximum appropriate height range for the site must be in accordance with the tall building maps in Appendix 2.

We would question the change in height recommendations between Pre-Publication and Publication Draft Local Plans, as no material changes have been made to the Urban Design Study regarding Area B2 – Battersea Riverside. It also has to be noted that RIV10 is located 120m away from the river and therefore the relationship of the Site with the river is different to that of a site located on the river edge, for example RIV6 (TB-B2-05). The current position is not therefore supported by the Council's own evidence base.

#### 3. Maximum height range of 7-10 storeys

As mentioned above, there have been no material changes in the analysis, conclusions and recommendations of the two Urban Design Studies (2020 and 2021) other than to recognise the reduction in the sensitivity to change for area B2- Battersea Riverside.

On this basis it is considered that no additional evidence has been presented to justify any further restrictive limitations on height at Site Allocation RIV10 beyond those that were originally set out within the Pre-Publication Draft Local Plan (i.e. 8 storeys or more).

The 2021 Urban Design Study simply appears to group allocations within newly created tall building zones. Site Allocation RIV10 forms part of tall building zone TB-B2-06, along with RIV3 (11-25 Chatfield Road and 41-47 Mendip Road) and RIV4 (Gartons Industrial Estate).

It should be recognised that these three sites have entirely different characteristics and considerations. Site RIV3, for example, is wedged between other sites and its frontages face two side streets, not a main arterial road, like the Site which forms allocation RIV10. The Site is more aligned in its characteristics, and location on a main road with site allocations such as CJ5 (forms part of tall building zone TB-B1-01), which has a proposed range of 7-20 storeys.

The justification for the imposition of a maximum height range of 7-10 storeys for tall building zone TB-B2-06 is set out at Section A.3.6 of the 2021 Urban Design Study (pages 232-235). This justification is guided by analysis of whether the zones would impact the townscape, local views and nearby heritage assets positively, negatively or neutrally. The assessment undertaken by Arup is stated to use three core types of information depending on the specific zone. These are set out at section 4.5.1 of the Study and include:

- analysis of existing tall buildings;
- analysis of consented tall buildings or area masterplans; or
- analysis of scenarios prepared specifically for this study.

Assessment of tall building zone TB-02-06 is based on an 'analysis of scenario' as confirmed at Table 2 of the 2021 Urban Design Study. There is no explanation provided as to why Arup have taken this particular approach as opposed to an analysis of existing or consented buildings which would form the immediate context for a tall building zone.

At A.3.6 of the 2021 Urban Design Study tall building zones TB-B2-02, TB-B2-05 and TB-B2-06 are grouped for the purposes of assessment. It is stated that the existing prevailing height within these zones is 2-20+ storeys. This position incorporates the 24 storey Coda development scheme located at the corner of York Road and Gartons Way which is located within TB-B2-06, and is directly adjacent to the Site Allocation RIV10. It is subsequently stated that the appropriate height for the tall building zones within the three zones as covered at A.3.6 is 7-10 storeys (21-30m).

The justification for this position is set out in further detail at pages 233- 235 of the 2021 Urban Design Study. However, this only appears to include specific analysis of TB-B2-02 within the table at page 233 of the Study.



There is no comparable table provided for TB-B2-06 and therefore it is assumed that the principles adopted in respect TB-B2-02 have simply been applied for both.

Furthermore, it is noted that figures 275 (Riverside Cluster plan) and 274 (Riverside Cluster massing model) do not even make reference TB-B2-06 or Site Allocation RIV10. On this basis it is not clear as to how Arup have determined the appropriateness of any heights for any allocations within this tall building zone through the analysis that has been undertaken. Critically, the application of an analysis of scenario exercise which focuses specifically on TB-B2-02 does not sufficiently factor in the nature or appearance of certain areas within the Borough that already have established tall buildings such as TB-B2-06. Neither does it address the gradual change in the character and appearance of the area surrounding tall buildings zones, which is a relevant consideration and warrants an analysis of existing and consented tall buildings.

The London Plan is explicit that in large areas of extensive change, such as Opportunity Areas, the threshold for what constitutes a tall building should relate to the evolving (not just the existing) context. The absence of these considerations for TB-02-06 raises fundamental issues with the methodology which has been used to assess what can be considered to be an appropriate height of building.

In this case, there are already much taller buildings in the immediate vicinity of the Site, so the introduction of additional taller buildings of more than 10 storeys at Allocation RIV10 would not introduce new elements that fundamentally change the character that has been established or any long-distance views.

Within the 'Assessment' section of A.3.6 at page 235 of the Study it is stated that individual buildings will need to carefully consider the appropriate height for individual plots within the zone, and generally the greatest height should be located internally to the plot (stepping down to surrounding streets) and along York Road

Furthermore, it is noted that development in the north of the area should not exceed the existing tallest buildings excluding the 28 storey Lombard Wharf which should not set a precedent for very tall development in this location. This position, and reference to what is considered to be an existing landmarking building, appears contrary to the restrictive limitation of 7-10 storeys which is seeking to be imposed across all tall building zones.

The only reference to the appropriateness of height along York Road appears to be at the penultimate paragraph at page 235 of the Study where it is stated that "there is consent for two developments over 20 storeys". It is subsequently concluded that there is not considered capacity for any further very tall buildings over 10 storeys, principally due to the potential impacts on the character of the River Thames which is already substantially developed with tall buildings both up and downstream.

SIM would strongly question how such conclusions can be made, on the basis that little site specific analysis of TB-B2-06 appears to have been undertaken. Whilst it is acknowledged that TB-B2-06 does have a frontage to the River Thames the majority of this tall building zone is located along York Road, which is set back from the river by some 120m. It follows that any development in this location (including RIV10) would have minimal impacts on the character of the River Thames, and especially when read in the context of the immediate established context which includes buildings of 24, 18 and 16 storeys which are located within a similar proximity to, or closer to, the River.

It follows that the blanket imposition of a maximum height parameter of 7-10 storeys for tall building zone TB-B2-06 is not appropriate or justified in the context of Arup's principal concerns relating to potential impacts on the character of the River Thames. This zone is significantly larger than both TB-B2-02 and TB-B2-05 and as such offers greater flexibility for the introduction of a wider range of taller buildings in spatial terms.

The redevelopment of Site Allocation RIV10 for taller buildings than the maximum height parameter would accord directly with the analysis of scenario undertaken by Arup which confirms that the greatest height should be located internally to the plot and along York Road (page 235 of the Urban Design Study). It follows that limiting height in this location to the same extent as proposed for sites which are directly located on the River Thames is completely contrary to the evidence base and not justified.



Site Allocation RIV10 and other potential development sites located along York Road compare more similarly with some of those allocations within tall building zone TB-B1-01. It is noted that the Council has sought to apply more flexible parameters for what are deemed to be appropriate maximum heights within this zone with those sites located along York Road being considered for taller buildings of up to 20 storeys. This position is illustrated at Figure 244 (Battersea combined Tall and Mid-rise Building Zones map) where the use of different colours is used to represent a wider range of heights within a single tall building zone.

It is therefore entirely appropriate that SIM would request that a similar approach is taken in respect of tall building zone TB-B2-06 such that Allocation RIV10 is identified to support a similar range of building heights. This flexibility would ensure that any future development scheme at the allocation could be brought forward with regard to the characteristics of the Site and the existing context within which it sits (existing and proposed buildings of 20+ storeys). Notwithstanding this, the Council would still be able to exert sufficient control over what is deemed to be an appropriate height with any scheme being tested on a site specific basis as part of a future planning application.

In conclusion, we advocate that the proposed building heights recommendation for the Site (Allocation RIV10) in the Publication Draft Local Plan at 7-10 storeys is too restrictive, not justified or positively prepared. The Site's corner location on an arterial road and its distance away from the immediate setting of the river should both afford greater flexibility for buildings of up to 20 storeys to be considered appropriate. We recommend that the evidence base should be re-visited and updated to reflect the Site's potential and specific townscape and urban design qualities in isolation (both with regard to the grouping of TB-02-06 with other zones which exhibit entirely different spatial characteristics and separate to Allocations RIV3 and RIV4).

While it is appreciated that the emerging Wandsworth Local Plan and adopted London Plan provide broad guidance for wider London given that site allocations are the key strategic reservoir for new homes within the Borough we would question the logic of placing onerous restrictions on their capacity without undertaking more site specific analysis as part of the evidence base or detailed design development through the planning process. As such, planning policies should not be overly prescriptive and need flexibility in order for schemes to respond to the site specific and surrounding context.

It is considered that the Site presents an excellent opportunity for growth through wholesale redevelopment, which should be recognised through a site allocation in the Draft Local Plan. The site allocation would assist in bringing forward the residential-led redevelopment of a previously developed site in a highly sustainable location adjacent to the river.

The proposed capping of building heights of 7-10 storeys at the Site in the way currently proposed would significantly limit the prospects of securing redevelopment of the allocation on viability grounds, and also fails to make the most effective use of the Site.

The deliverability of sites allocated within the Local Plan is critical in order for the Council to meet their housing targets. For policy to rely, to the extent that it does, on a study that does not reflect proper consideration of the spatial characteristics or deliverability of sites is not in our view a sound approach and we would therefore propose that the text at paragraph 11.69 of Site Allocation RIV10 is amended as follows:

• The maximum appropriate height range for Site Allocation RIV10 is adjusted such that it reflects the more immediate context of the Site and supports buildings of <u>7-20 storeys</u>. The tall buildings plan at Appendix 2 should be updated accordingly as well to reflect this.

This amendment would ensure that the delivery of Site Allocation RIV10 can fully optimise the development potential of the Site to realise the required increase in new homes alongside wider benefits linked to the delivery of commercial uses and Focal Points of Activity.



#### **Summary and Conclusion**

We trust that this consultation response will be fully considered by the Council and its contents afforded the appropriate level of weight. SIM would welcome the opportunity to meet with professional officers of the LPA to discuss these representations in more detail, as well as review the evidence base, its analysis and development options for the Site.

Our client reiterates its support for the identification of land at 200 York Road for allocation within the emerging Local Plan.

However, we wish to register our client's strong objection to the imposition of a maximum height range of 7-10 storeys as currently set out at paragraph 11.69 of the Publication Draft Local Plan. This range should be adjusted to allow for the potential of building heights of up to 20 storeys, in order for the Plan to be found 'sound'.

We would welcome the opportunity to discuss the contents of this letter with Officers in due course. The Response Form has also been completed and is included with this correspondence.

We would also be grateful if you could acknowledge receipt of these representations and keep us updated of any further stages of consultation, so that we can provide comments as may be required.

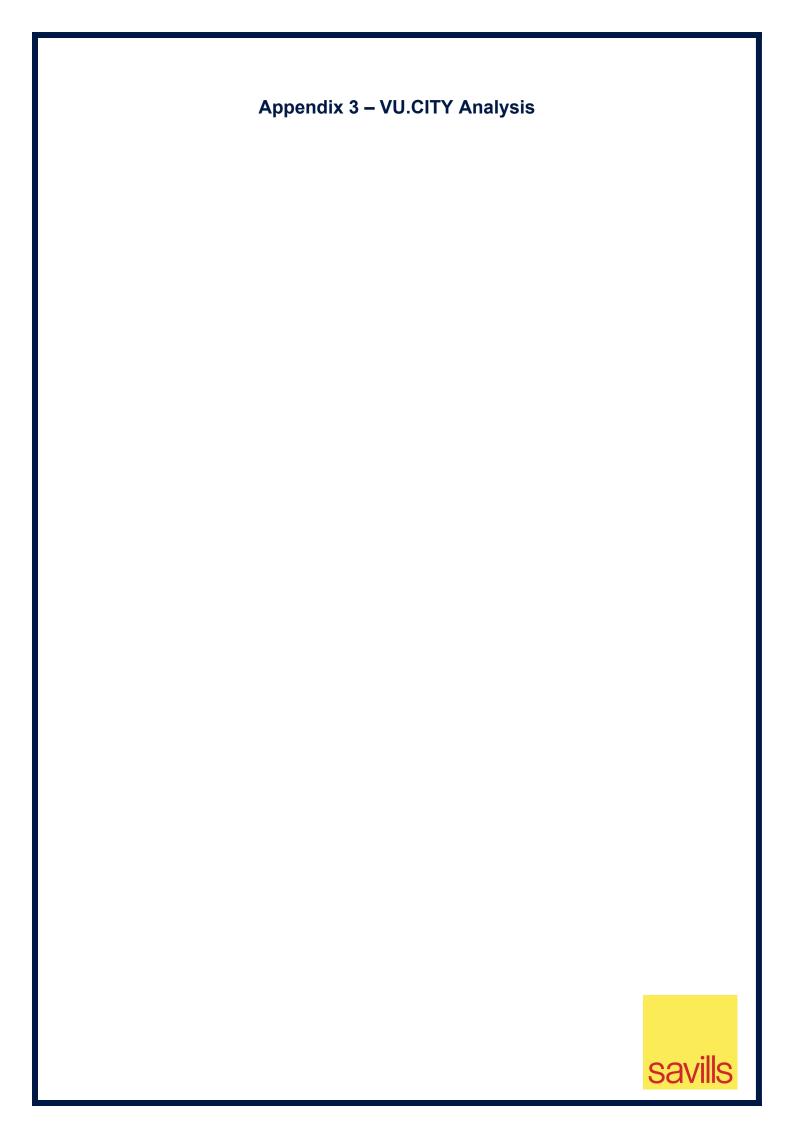
Should you require any clarification or additional information, please do not hesitate to contact Tim Price or Chris Moore at these offices.

Yours faithfully

Savills (UK) Limited

Planning

Enc: Response Form



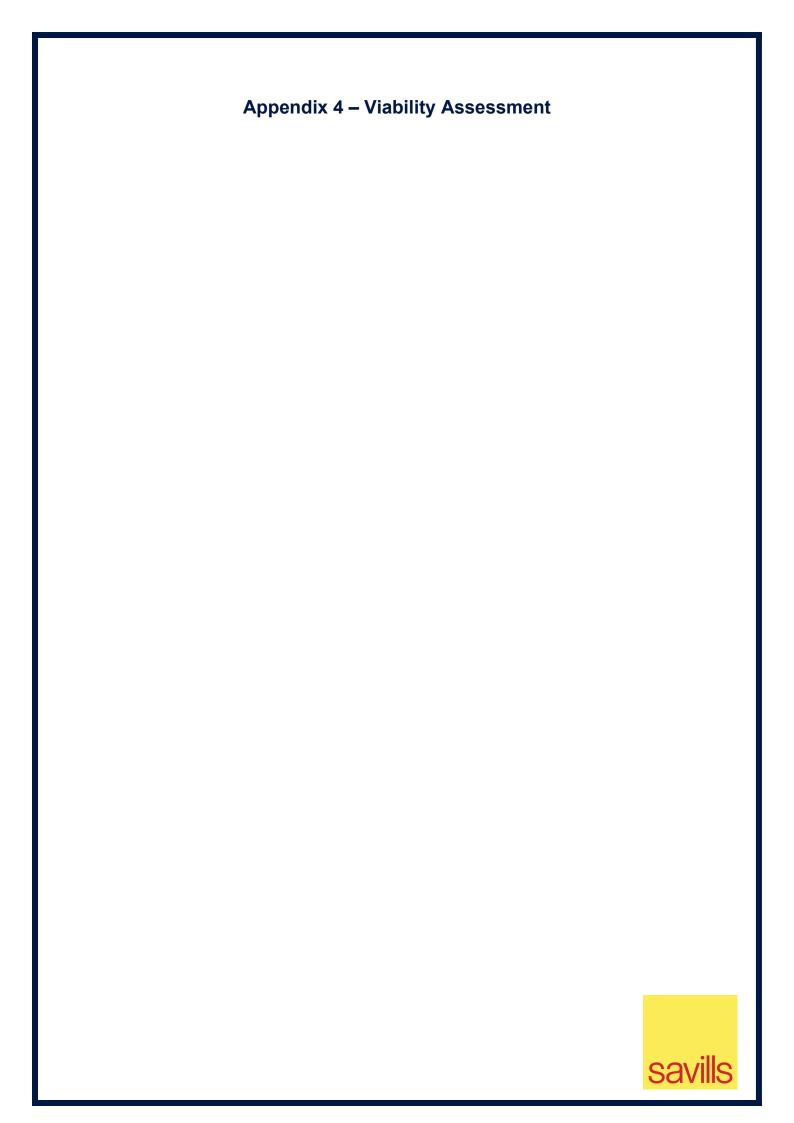












27th October 2022

Wandsworth Borough Council The Town Hall Wandsworth High Street London SW18 2PU



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Dear Sirs,

#### Re: London Borough of Wandsworth Local Plan Examination

We write in connection with the London Borough of Wandsworth Local Plan Examination concerning the opportunity site known as '200 York Road'. This site is proposed as an allocation for mixed use development incorporating residential and commercial uses under reference RIV10.

This response is intended to assist the London Borough of Wandsworth ('the Council') in the preparation of its emerging tall buildings policy and we would welcome the opportunity to work with the Council and its advisors throughout the consultation process in order that such policy may be further developed.

In support of this exercise, we have considered the key assumptions included by the Council's appointed viability consultants Three Dragons in association with Porter Planning and provide comment herein where appropriate. It should be noted that any reliance upon the Council's supporting viability study does not confirm our agreement to the same, and we reserve the right to make further representations at a later stage where appropriate to do so. Moreover, our professional view may differ from time-to-time in accordance with market movements and changes in professional and planning guidance and our position is therefore reserved.

Please note that our assessment does not constitute a formal valuation and should not be relied upon as such. No liability is given to any third party and the figures suggested are not in accordance with the RICS Valuation – Global Standards 2022 (incorporating the IVSC International Valuation Standards), together the 'Red Book', and neither Savills nor the author can accept any responsibility to any third party who may seek to rely upon it, as a whole or any part as such. Moreover, our assessment does not constitute a formal Financial Viability Assessment (FVA) and should not be represented as such, rather our assessment is a point in time review of the impact of restrictive draft policy.

The overriding response is that the Local Plan should not put in place policies that fetter development opportunities from being brought forward or that mean those tasked with major development investment decisions must operate at the margins of viability. Following recent experience, rapid economic changes such as the current pandemic can have a significant and long-lasting market impact. It is important that the viability of the development plan is therefore resilient to such impacts and promotes flexibility.







#### Site context

The subject site is known as '200 York Road, London SW11 3SA' and otherwise as 'the Travelodge site'. The site is allocated within the Local Plan under site ref RIV10 and measures approximately 0.26 hectares (0.64 acres). It is bounded to the east by York Road and to the north by Gartons Way. To the south of the site is a mix of commercial and residential uses and to the west are industrial uses.

We understand that the existing property is of 1970's steel frame construction providing approximately 50,000 sq ft of hospitality space over ground and four storeys above including a total of 121 bedrooms alongside associated ancillary accommodation. Access to the parking forecourt situated to the front of the hotel is provided to the northeast via Gartons Way leading off York Road to the southeast.

We understand that the site is under single ownership and wholly occupied leasehold by Travelodge.

In accordance with the site allocation and for assessment purposes we have assumed that the site would be brought forward on the basis of holistic residential led mixed use redevelopment.

A site plan for the subject site used to inform the allocation is illustrated at Figure 1 below:



Figure 1 - 200 York Road Site Plan

#### **Policy context**

The Council's emerging Local Plan is anticipated for adoption during summer 2023 and will set out the future spatial strategy for the borough. In accordance with the London Plan (Policy D9) each borough's Local Plan should define the nature of tall buildings in addition to those locations deemed appropriate for such development within each borough. Draft Policy LP4 of the emerging Local Plan seeks to define tall and midrise buildings) within the Policies Map Changes Document.

The subject site is allocated under RIV10, which stipulates high-capacity residential development and commercial uses that include opportunities for affordable workspace. In terms of height, the site is located in Tall Building Zone TB-B2-06 which stipulates a maximum appropriate height range of 7 – 10 storeys, subject to the maximum height stipulated under Policy LP4.

Our response focuses on the significant concerns of the Landowner surrounding the Council's Regulation 19 stage amendment of its emerging tall buildings policy. Through representation during the consultation period this response seeks to demonstrate the impact of the draft policy from a viability perspective to help ensure that the subject site is not unduly fettered whilst maintaining viability.



In preparing our response to the Consultation we acknowledge the work undertaken by the Council's viability consultants Three Dragons.

#### **Approach & Methodology**

We have considered the subject site within a viability in planning context comparing a Site Value Benchmark (SVB) - otherwise known as 'Benchmark Land Value', to the Residual Land Value (RLV) of a hypothetical scheme with vacant possession. Where the RLV is lower and / or not sufficiently higher than the SVB the project is not considered technically viable in planning and would unlikely be brought forward as a result.

In order to assess the impact of the Council's draft tall buildings policy on the subject site we have considered the Residual Land Value for a hypothetical policy compliant scheme informed by initial design work carried out by ERP Architects which responds to the subject site's setting and design considerations. This suggests a total developable area of 12,670 sq m (136,380 sq ft) GIA. We have adopted a gross:net efficiency of 85% in respect of the assumed residential accommodation set out over 1<sup>st</sup> – 9<sup>th</sup> floor levels. We have assumed commercial accommodation is provided at grade covering 50% of the total floor area i.e. 1,137 sq m (12,239 sq ft) NIA.

Our assessment has been carried out in accordance with both the relevant site specific allocation (ref RIV10) which proposed residential led mixed use development, and draft tall building policy which effectively sets a height restricted parameter for the developable envelope effectively equivalent to 10 storeys. We would note that that any scenarios included within this assessment are intended for illustrative use only and do not necessarily represent a formal view on height, massing or density.

For the residential element, we have assumed an affordable housing provision equivalent to 35% on a mixed tenure basis which is consistent with the Local Plan Viability Study. The hypothetical scheme is set out within Figure 2 below:

Figure 2 – Schedule of Accommodation (Hypothetical Scheme))<sup>1</sup>

	Building GIA		Residential NSA		Commercial NIA	
Level	evel Sq m Sq ft		Sq m	Sq ft	Sq m	Sq ft
Basement	1229	13229	-	-	-	-
GF	1895	20398	-	-	1137	12239
1 <sup>st</sup>	1344	14467	1142	12297	-	-
2 <sup>nd</sup>	1344	14467	1142	12297	-	-
3 <sup>rd</sup>	1344	14467	1142	12297	-	-
4 <sup>th</sup>	1344	14467	1142	12297	-	-
5 <sup>th</sup>	834	8977	709	7631	-	-
6 <sup>th</sup>	834 897		709	7631	-	-
7 <sup>th</sup>	834	8977	709	7631	-	-
8 <sup>th</sup>	834	8977	709	7631	-	-
9 <sup>th</sup>	834	8977	709	7631	-	-
Total	12670 136380		8114	87340	1137	12239

<sup>&</sup>lt;sup>1</sup> Assumes massing informed from ERP Architect Massing Study (May 2022).

3



Within our assessment we have made the general assumption of full and implementable planning permission following discharge of all conditions with effective vacant possession.

Given the intended purpose of this exercise which seeks to respond to the emerging Local Plan, we have sought where appropriate to rely upon the assumptions made within the Three Dragons Local Plan Viability Study dated 2022. We have however diverged from the Viability Study assumption base where respective assumptions are considered fundamentally unrealistic for the nature of hypothetical development included within our assessment.

We would note that our use of these assumptions does not necessarily reflect Savills' endorsement or agreement to the same. However, our approach seeks to align with the Council's decision making to the extent reasonably possible at the Plan making stage. We discuss some of the key assumptions include within our assessment below at Figure 3:

Figure 3 - Overview Schedule of Key Assessment Inputs

Description	Assumptions	Comments
Site Value Benchmark	£16m/hectare (£6.5m/acre)	Represents a borough wide land value 'VA2 (Mic, N, E)' average across all EUVs exc offices / warehouse and retail inclusive of 20% landowner's premium (Para 6.72).  Site Value Benchmark is fundamentally a site specific consideration and we would consequently note the limitations in the application of an area wide Site Value Benchmark. Hence we consider a site specific Site Value Benchmark below.
Market Sales Values	£9,700 psm (£901 psf) – Value Zone 2	Reflects the sales value applied to 'Value Zone 2 (Mid, N, E)' stipulated under Para 5.14 of the Three Dragons assessment. An equivalent sum is included within our assessment.  No allowance is made for ground rent income which is appropriate for planning viability purposes.
Affordable Sales Values	£1,940 psm (£180 psf) - Low cost rent £5,820 (£541 psf) - Intermediate	Sales Values included at Para 6.38 – Social Rent (20% MV), LAR (30% of MV), LLR (55% MV), Shared ownership (67% MV), First Homes (70% MV - capped).  Under Policy LP23 Affordable housing of the Reg 19 Local Plan residential development will target 50% of all new homes to be affordable. However, London Plan Policy H5 targets a minimum of 35% which has been tested for the purposes of our assessment on a blended tenure basis.



		We have adopted a mix of 60:40 in favour of rented accommodation.
		Tornoa accommodation.
Commercial Values	Offices  360 psm £33.50 psf outside of VNEB Zone  6% Yield	The stated values reflect modern good quality specification accommodation. The possible configuration of commercial accommodation is inherently varied and requires a high level approach at this stage. In reality a wide range in potential rental values and investment yields is possible depending on factors such as size and configuration, location and specification etc.  We have included a void / incentive period of 18 months within our appraisal.
Developer's Return (Profit)	Market Residential (20%) Affordable Residential (6%) Commercial (15%)	We have adopted a higher profit target of 20% on GDV for the market residential element included within our assessment (versus the 17.5% applied by Three Dragons) which is reflective of the inherent risk in the construction and sales process taking account of macro and micro economic risk factors.  Three Dragons' profit allowance for affordable and commercial elements is considered reasonable and adopted within our assessment.
Sales & Marketing	3% - Residential / Commercial 6.8% purchaser's costs for commercial element.	Equivalent to generic allowance included within the Local Plan Viability Assessment (Para 6.2 – 6.3).
Build Costs	Reliance on BCIS data  Plus 10% for external works  £2,427 psm (£225 psf) October 2022 (Median 6+ storeys – Wandsworth) exc. externals	Three Dragons adopt BCIS median costs dated Q4 2020 to inform their assessment. Given the passage of time and current levels of inflation we have adopted an equivalent approach using updated BCIS data (see left).  Savills are not appointed as cost consultants and we are therefore unable to make professional judgment on the adopted cost assumptions by Three Dragons. We would also draw attention to likely movements in build costs which should be acknowledged within this assessment between this consultation stage and forthcoming consultation which may impact on scheme viability.  Nb. Figure shown is exclusive of externals and demolitions costs which are accounted for separately. Allowance for costs associated with external works equivalent to Local Plan Viability Assessment Para 6.16. We would note that an allowance of 10% falls below what we would



		consider to be a reasonable sum but include the same allowance for the purposes of this exercise.
Extra Policy Costs	Residential - +2.5%  Commercial - +1.5%	Extra Policy costs included at Para 6.33 with allowance for residential element to help achieved net zero and to meet BREEAM 'Excellent' for office use.
Contingency	5%	Equivalent to generic allowance included within the Local Plan Viability Assessment (Para 6.20).
Professional Fees	10%	Equivalent to generic allowance included within the Local Plan Viability Assessment (Para 6.18).
Finance	100% debt funding at 8% debit / 1.75% credit	An allowance of 6% is included by Three Dragons to inform their Viability Study. This allowance is considered unrealistic for large scale development in London in the current market and an 8% allowance has been included within our assessment. We have included a 1.75% credit rate reflecting upward pressure on BoE base rates.
CIL / S106	BCIL  Residential - £373 psm (£34.70 psf)	We have adopted the CIL figures included within the Local Plan Viability Study which allow for indexation.
	Commercial – Nil  MCIL2  Residential / commercial - £80.70 psm (£7.50 psf)  S106 - Nil	We have excluded S106 contributions within our assessment in accordance with the LP Viability Assessment. Where additional S106 contributions are included we would note this having an adverse impact on scheme viability.
Timescales	Pre-commencement (3 months)  Build out (18 months)	Timescales for assumed quantum of development set out within Local Plan Viability Assessment (Para 6.22).
	Residential Sales (9 months)  Commercial Sales (on PC)	Development timescales are highly sensitive to site-specific factors. In the absence of a detailed masterplan we are unable to provide further specific comment within this response.



#### **Site Viability Assessment**

In accordance with the methodology set out above, as a starting point we have considered Site Value Benchmark having regard to both the borough wide approach adopted within the Local Plan Viability Study – which appears to significantly under value the subject sites, and a further assessment which seeks to take account of site specific considerations on a desktop basis.

Whilst the purpose of this exercise is not to conduct a full assessment of viability in planning, Site Value Benchmark is a material consideration for any reasonable landowner acting prudently and should be properly accounted in assessing viability.

On the basis of a borough wide approach, the subject site might predicate on employment land values when taking account of the respective existing use enjoyed. On this basis the Site Value Benchmark of £16,000,000 / hectare when applied to the site would equate to say £4,160,000 based upon the subject site area.

On a site specific basis of assessment, the existing hotel accommodation provides a total of c.50,000 sq ft whilst accommodating 121 rooms and ancillary hospitality facilities and car parking.

Three Dragons consider a notional mid-scale hotel assuming 150 bed spaces within Appendix A of the Local Plan Viability Assessment. This concludes a notional capital value of c.£21,000,000 based upon investment valuation methodology underpinned by a rent of £330 psm (£30.65 psf) capitalised at 5.8%. It is unclear how purchaser's costs are taken into account albeit the concluded capital value, whether shown gross or net, is equivalent to say £131,000 - £140,000 per room.

We have carried out a high level review of recent transactions involving similar quality hotels across greater London within similar locations providing a similar offer to the subject property. This exercise suggests an equivalent value of c.£120,000 - £240,000 per room with Three Dragons' assessment therefore falling toward the lower end of the range in comparable site transactions.

On a desktop basis where the Three Dragons values are applied to the subject property i.e. £130,000 - £140,000 per room, an Existing Use Value (EUV) of say £15,730,000 - £16,940,000 is determined. Applying a 20% landowner's premium to this figure suggests a Site Value Benchmark in the order of £18,876,000 - £20,328,000 is determined.

Taking a midpoint would suggest a SVB of say £19,600,000 which we have adopted for assessment purposes.

We would note that our above assessment is provided illustratively at this stage and does not constitute a formal Financial Viability Assessment (FVA) where a range of considerations may be considered. We are unaware of whether independent valuation advice considering EUV has been carried out previously and our position is therefore reserved. We would note that the inclusion of a higher valuation would have the impact of further supressing viability.

Having explored Site Value Benchmark for the site, in accordance with the methodology set out above we have appraised the subject site in accordance with the drawings and accommodation schedules prepared by EPR Architects in order to assess viability. To inform development revenues and costs we have included the assumptions contained within Figure 3 above whilst making appropriate adjustments for robustness.

The results of our assessment is as follows:



Figure 5 - Appraisal results for 200 York Road

RLV	SVB	Surplus / (Deficit)	Status
£5,300,000	£19,600,000	(£14,300,000)	Unviable

Our assessment of the subject site concludes that the Residual Land Value (RLV) based upon an optimised residential-led mixed use development falls below the site specific Site Value Benchmark and would therefore be considered unviable in planning.

Our appraisal of the hypothetical scheme is attached at Appendix 1 to the rear of this letter.

We have carried out sensitivity analysis (shown below in Figure 6) based upon incremental changes in development revenue and costs and would observe that even where revenues are increased by 10% alongside a reduction of 10% in build costs, the scheme remains unviable in planning based upon the assumptions included above.

Figure 6 - Appraisal Sensitivity Analysis

Sales: Rate /ft²							
Construction: Rate /ft2	-10.000%	-5.000%	0.000%	+5.000%	+10.000%		
	810.90 /ft²	855.95 /ft <sup>2</sup>	901.00 /ft <sup>2</sup>	946.05 /ft <sup>2</sup>	991.10 /ft <sup>2</sup>		
-10.000%	-£5,513,122	£7,148,655	-£8,784,188	-£10,419,721	-£12,055,253		
228.60 /ft²	-£5,513,122	£7,148,655	-£8,784,188	-£10,419,721	-£12,055,253		
-5.000%	-£3,784,037	-£5,419,570	£7,055,103	-£8,690,636	-£10,326,168		
241.30 /ft²	-£3,784,037	-£5,419,570	£7,055,103	-£8,690,636	-£10,326,168		
0.000%	-£2,054,952	-£3,690,485	£5,326,018	-£6,961,551	-£8,597,083		
254.00 /ft²	-£2,054,952	-£3,690,485	-£5,326,018	-£6,961,551	-£8,597,083		
+5.000%	-£325,867	-£1,961,400	-£3,596,933	-£5,232,466	£6,867,999		
266.70 /ft²	-£325,867	-£1,961,400	-£3,596,933	-£5,232,466	-£6,867,999		
+10.000%	£1,511,872	-£231,803	-£1,867,848	£3,503,381	-£5,138,914		
279.40 /ft²	£1,511,872	-£231,803	-£1,867,848	-£3,503,381	-£5,138,914		

#### **Conclusions**

Based upon the analysis presented above our assessment demonstrates that the Council's draft tall building policies are fundamentally detrimental to scheme viability. The consequence of adopting such policies would likely preclude the subject site from being brought forward for development during the Local Plan period fettering critical housing delivery, employment opportunities and the delivery of planning obligations within the borough.

It is our concern that the scale of redevelopment should not be constrained by overly restrictive policy requirements that will adversely impact on viability and most likely deter or prevent any development proposals from coming forward. Instead, development should be encouraged and optimised, given the site location, with the focus being on design quality and placemaking.

In line with the above, we would seek modification to those draft policies covering the subject sites restricting height. Greater flexibility in policy would better reflect the positive contribution future redevelopment could have for the borough through the delivery of viable and well-designed schemes.



We would expect the draft policy to be amended through consultation and welcome further engagement to assist the Council with any further technical work being undertaken through due process.

The importance of flexibility is reinforced when taking account of the many changes regularly taking place in the development industry, not only related to the recent global pandemic, but also in respect of the building regulatory system and substantial cost inflation and market uncertainty etc. For a plan that operates over several years and whose next review may not take place for some time, it is important to consider the likely impacts now to avoid unnecessary viability issues in future years through flexibility.

Should you have any queries in relation to the above please do not hesitate to contact Savills directly. We would be happy to provide additional comment and support discussions with the Council and its advisors in due course.

#### Encl.

Appendix 1: Appraisal – Hypothetical Scheme.

# Appendix 1



200 York Road (RIV10) LP Viability Appraisal Draft Oct 22 200 York Road (RIV10) LP Viability Appraisal Draft Oct 22

#### **Appraisal Summary for Phase 1**

#### Currency in £

REVENUE Sales Valuation	Units	ft²	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales	
Market Residential Affordable Residential <b>Totals</b>	1 <u>1</u> 2	56,771 <u>30,569</u> <b>87,340</b>		51,150,671 9,934,925	51,150,671 <u>9,934,925</u> <b>61,085,596</b>	
Rental Area Summary	Units	ft²	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	10,403	33.50	348,506		348,506
Investment Valuation						
Commercial Market Rent (1yr 6mths Rent Free)	348,506	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	5,322,303	
GROSS DEVELOPMENT VALUE				66,407,899		
Purchaser's Costs Effective Purchaser's Costs Rate		6.80%	(361,917)			
				(361,917)		
NET DEVELOPMENT VALUE				66,045,983		
NET REALISATION				66,045,983		
OUTLAY						
ACQUISITION COSTS Residualised Price			5,326,018	5,326,018		
Stamp Duty Effective Stamp Duty Rate		4.80%	255,801	0,020,010		
Agent Fee Legal Fee		1.00% 0.50%	53,260 26,630	335,691		
CONSTRUCTION COSTS						
Construction Build Costs (inc externals + policy) Contingency Demolition (Hotel) MCIL2 BCIL S106	<b>ft²</b> 136,380	Build Rate ft <sup>2</sup> 254.00 5.00%	Cost 34,640,520 1,757,026 500,000 500,734 2,314,423			
				39,712,704		
PROFESSIONAL FEES Professional		10.00%	3,514,052	3,514,052		
MARKETING & LETTING  Letting Agent Fee  Letting Legal Fee		10.00% 5.00%	34,851 17,425			
DISPOSAL FEES				52,276		
Sales & Marketing Fee Affordable Agency		3.00%	1,694,189 150,000			

Project: \\terra\citydata\L&P\DSAH\Client and Job folders\Savills Investment Management\Travelodge SIte - LP reps\Appraisal Draft (10 Storeys ARGUS Developer Version: 8.20.003 Date: 27/10/2022

### **APPRAISAL SUMMARY**

#### **SAVILLS**

200 York Road (RIV10) LP Viability Appraisal Draft Oct 22

Oct 22 Sales Legal Fee

0.50% 282,365

Affordable Legal 150,000 2,276,554

**FINANCE** 

Debit Rate 8.000%, Credit Rate 1.750% (Nominal)

 Land
 799,308

 Construction
 1,939,023

 Other
 468,974

Total Finance Cost 3,207,305

TOTAL COSTS 54,424,600

**PROFIT** 

11,621,382

**Performance Measures** 

 Profit on Cost%
 21.35%

 Profit on GDV%
 17.50%

 Profit on NDV%
 17.60%

 Development Yield% (on Rent)
 0.64%

 Equivalent Yield% (Nominal)
 6.00%

 Equivalent Yield% (True)
 6.23%

IRR% (without Interest) 30.13%

Rent Cover 33 yrs 4 mths Profit Erosion (finance rate 8.000) 2 yrs 5 mths