

Committee: Cabinet

Date: 01 July 2013

Agenda item: 8

Wards: all

Subject: Adoption of the supplementary planning document for the Rainbow Industrial Estate

Lead officer: Director of Environment and Regeneration, Chris Lee

Lead member: Cabinet Member for Environmental Sustainability and Regeneration, Councillor Andrew Judge

Forward Plan reference number: 1264

Contact officer: Future Merton Strategic Policy Manager, Tara Butler

Recommendations:

- A. That Cabinet adopt the Rainbow Industrial Estate planning brief as a supplementary planning document (SPD) to Merton's Core Planning Strategy 2011.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report recommends that Cabinet adopt the Rainbow industrial estate planning brief as a supplementary planning document to Merton's Core Planning Strategy.
- 1.2. In 2011, the planning inspector for Merton's Core Planning Strategy determined that the Rainbow site could be redeveloped for a wider range of uses other than industrial and warehousing, if this would help enable employment-led regeneration of the estate. Such a proposal must be brought forward via the production of a planning brief (supplementary planning document) demonstrating how the proposals do this.
- 1.3. Appendix A to this report is the Rainbow Industrial Estate planning brief recommended to councillors to be adopted as a supplementary planning document to Merton's Core Planning Strategy. As well as helping to deliver Merton's Core Planning Strategy, this brief helps to deliver the objectives of Merton's Economic Development Strategy.
- 1.4. The Borough Plan Advisory Committee are considering this report on 26 June 2013, and any recommendations from this committee will be presented to Cabinet in a supplementary report.

2 DETAILS

Summary of site details

- 2.1. The Rainbow Industrial Estate is 4.8acres (1.9hectares) of land in Raynes Park, located between three railway embankments. The site entrance is less than 20m away from the southern entrance to Raynes Park rail station, on the southern side of Raynes Park town centre

- 2.2. The estate has been the location for a mix of industrial-type businesses for at least the past 20 years and during this time has included scaffolding storage and yards, plumbing supplies, vehicle repairs, metalworks, waste management businesses, storage and a coach depot.
- 2.3. For the past 20 years, most of the site is owned by Workspace Group, a company that specialises in letting and managing commercial floorspace (offices, studios, workshops, industrial) across approximately 100 sites in London.
- 2.4. Network Rail owns the access road and own and occupies a small portion of the site to the north that is not the subject of this planning brief. Network Rail use this land for signalling activities connected with railway operations.

Background to the site and the current proposals

- 2.5. In **2003**, Merton Council adopted a Unitary Development Plan and Proposals Map, designating this site for industrial uses.
- 2.6. In **2004**, the Mayor of London published the first London Plan. In this plan, the Mayor identified strategic industrial locations in each of London's boroughs. These were large industrial estates designated for heavy industrial uses, away from residential neighbours, schools and other sensitive locations.
- 2.7. Like other small industrial estates near shops and residential areas, Rainbow wasn't considered suitable as a strategic location for London's industry by the Mayor, and was designated as a Locally Significant Industrial Location. This allocated the site as suitable for light industrial, and workshop-based businesses that could locate closer to shops, schools and homes without causing undue noise, smell or other disturbance. The 2008 London Plan continued this approach.
- 2.8. In **2007 and 2008**, the landowners started to explore the site's potential for whole-site redevelopment as a waste management facility, coinciding with the first stages of the South London Waste Plan (a joint planning document between Croydon, Kingston, Merton and Sutton, allocating sites across south London for waste management and transfer purposes).
- 2.9. Plans were drawn up for the site's use as an anaerobic digestion facility. These plans were consulted on by the landowner at a series of public meetings with local communities, and the site was included as potentially being suitable for waste management purposes in a draft of the South London Waste Plan.
- 2.10. The proposal for anaerobic digestion did not proceed to a planning application and the site was removed from the South London Waste Plan by **2010**.
- 2.11. Increasingly over the past 10 years, the demand for industrial floorspace in London and the south east has been declining due to a combination of factors: cheaper land prices and operating costs elsewhere in the UK, global competition, road congestion, the expense and difficulty of getting planning permission and other licences with so many sensitive land uses (homes, schools etc) close by.

- 2.12. The two areas of more sustained demand during this time have been for sites suitable for waste management and for logistics.
- 2.13. Successive governments have required boroughs to review their industrial land to ensure that there is a realistic prospect of industrial land being occupied. If there is no realistic prospect of this, land should not be designated for industrial / employment and should be considered for other purposes.
- 2.14. Merton reviewed the supply of and demand for industrial land, publishing two Employment Land Studies 2005 and again in 2010/11. Each study recommended that Rainbow could help meet the borough's limited demand for industrial floorspace.
- 2.15. In **February 2010**, Merton Council published an Economic Development Strategy with the following objectives:
- to improve the average levels of productivity, gross value added and hence pay for jobs in Merton
 - to build on Merton's strengths in location, attractiveness, brand value and expertise to promote its economy
 - To promote economic resilience in Merton through a diverse local economic base
 - To ensure that activity is delivered in a way that supports other values and objectives, notably addressing deprivation in the east of the borough and protecting built heritage and the environment.
- 2.16. Research carried out in **2009**, supporting Merton's Economic Development Strategy illustrated that Merton had a lower level of jobs growth between 2000 and 2009 in contrast to the increase in employment found in surrounding boroughs and much of London and the south east.
- 2.17. During this period, Merton's business, industrial and employment land was well occupied with the lowest vacancy rates in south London and had some of the highest rents. While the council always robustly defends employment land from unnecessary loss to other uses, this approach didn't always succeed in capturing all of the economic benefits of more jobs and revitalised adaptable business premises. This policy-focussed approach resulted in protecting employment floorspace but didn't focus on the delivery of jobs or the provision of new business premises attractive to a changing economy.
- 2.18. In order to maximise the potential for fit-for-purpose employment floorspace, potential for jobs and business growth and minimise poorly executed development which adds little to the borough, the council is working with the landowner, a workspace specialist who develops and manages business and creative industry premises, representing a long-term investment in the borough. The focus on delivery, job and business creation and support, will complement the council's policy approach of protecting its employment land. jobs and business growth and minimise poorly executed development which add little to the borough, the council wants to work with specialists who build and manage employment and creative industry premises, representing a long-term investment in the borough.

- 2.19. In **July 2010**, Merton Council resolved to submit Merton's draft Core Planning Strategy to the Secretary of State for public examination by an independent Planning Inspector. The Rainbow site was resolved for allocation as a Locally Significant Industrial Site in this document.
- 2.20. In **February 2011** at the public hearing, the Planning Inspector disagreed with the council's position that the site was likely to continue to be in demand for viable industrial uses. She considered that the council clearly considered the site unsuitable for the waste management and the site circumstances made it unsuitable for the increased traffic that would come with logistics.
- 2.21. Workspace wanted to be able to develop the site for new workshop, light industrial and office-based businesses suitable for SMEs, which the council's own Economic Development Strategy (February 2010) strongly encouraged. Workspace could demonstrate a track record over 20 years of redeveloping and managing such premises as attractive to SMEs, whereas the council received a very small number of planning applications during the previous 5 years for such sites, and even fewer were ever built after permission had been granted.
- 2.22. The Planning Inspector determined that alternative uses to light industrial could be considered for Rainbow as long as the redevelopment proposals delivered *employment-led regeneration* and the objectives of Merton's Core Planning Strategy Policy CS12 on economic development and Merton's Economic Development Strategy.
- 2.23. In her report, published in **June 2011**, the Planning Inspector also recognised the necessity of cross-subsidy from higher value uses in order to deliver high quality employment floorspace. The need for plans to be financially viable is now a key part of the planning system; plan-makers and decision-takers must consider deliverability and financial viability as a key part of delivering sites.
- 2.24. The council suggested to the planning inspector that, if this was to be the decision on Rainbow, the site proposal could be delivered through the production of a supplementary planning document in consultation with the local community. This would give local communities the opportunity for at least nine weeks of input, rather than three, and ensure that their views could be considered by decision-makers through the planning brief and via the planning application.
- 2.25. The council made this suggestion in the awareness that Rainbow is a large site in the context of Raynes Park and that the alternative to a SPD would have been straight to a planning application, reacting to the proposals over the statutory three weeks of community consultation. The inspector agreed with the council's decision and included the reference in Merton's Core Planning Strategy Policy CS12
- 2.26. The inspector's report was published on Merton's website in June 2011 and in **July 2011**, Merton Council resolved to adopt Merton's Core Planning Strategy.
- 2.27. As Rainbow is a privately owned site, rather than using limited council funding it was decided that the landowner's resources should be used to produce the first draft of the planning brief and officers should thoroughly

review each element before recommending it to councillors, in the same way to how planning applications are processed.

- 2.28. On **22 September 2011**, Workspace representatives attended the Raynes Park Community Forum and spoke to over 70 residents about the initial plans for the employment led regeneration of the site, the benefits of the new business and the necessity of cross-subsidy by residential development, the timetable for production and questions on parking, transport movements and other issues. The chairman's note of the meeting can be found online here:

http://www.merton.gov.uk/raynes_park_community_forum_220911_chair_s_report.pdf

- 2.29. In **early 2012** the site's potential for redevelopment was explored, and a draft planning brief was presented to the Borough Plan Advisory Committee in **May 2012**, and Cabinet in **June 2012**, recommending six weeks of community consultation. The draft brief can be summarised as:

- retaining the same amount of employment floorspace as currently exists on site, redeveloping the site for about 30 small workshop/office units, targeted towards SMEs.
- Providing the station drop-off point ("Kiss and Ride") at the site's entrance, one of the few undelivered projects in the Raynes Park Enhancement Plan 2008-2011
- Contributing to Merton's housing supply and enabling the redevelopment by providing 200-250 apartments in three buildings on the site (of similar heights and scale to the new Waitrose development nearby)
- protecting the nature conservation areas bounding the sites, relaying the internal roads, providing all parking on-site, courtyard gardens
- Reducing traffic from the site, especially HGVs and coaches, and providing a Combined Heat and Power plant.

- 2.30. Between **June and July 2012**, public consultation took place on the draft planning brief. All comments received as part of this consultation are available on Merton Council's website and a statement of consultation has been produced to summarise the responses received and the actions taken from them.

- 2.31. 51 responses were received throughout the consultation process, including a petition opposed to development which contains 277 signatures. The key issues raised at consultation were:

- Relationship between the landowner, Workspace, and the council
- Traffic impacts
- Parking
- Layout and design
- Presence and density of housing on the site
- Impact on local schools and associated infrastructure

- Whether the site should be in employment use, residential use, a mixture of both or an alternative use.

2.32. A summary of actions that has been taken as a result of the responses received includes:

- the council resourcing the final planning brief and all associated reports
- the council reassessing the site for appropriate, deliverable alternative uses
- the council reassessing the context and local character of the Raynes Park area and the Rainbow site advised by representatives from local residents groups and businesses as part of two design workshops (October 2012 and January 2013) and using these findings to ensure that the final planning brief seeks high quality urban design appropriate to the site and its surrounds
- the council undertaking traffic, parking and pedestrian counts around the entrance to the site and along Approach Road and Grand Drive, using this additional data and other research to further assess the likely transport and parking impacts of new proposals compared to the current situation and to inform the Kiss & Ride
- the council funding an independent assessment by a chartered surveying firm of the viability of the proposals to ensure the quantum of residential development is necessary to cross-subsidise the employment floorspace, "Kiss and Ride and high quality proposals for the site.
- the council conducting further investigations into the potential of alternative access for the site
- the council ensuring that essential infrastructure to support new development would be able to be provided (e.g. healthcare, school places etc)

2.33. Appendix A to this report contains the final planning brief recommended to councillors for adoption as a supplementary planning document to Merton's Core Planning Strategy 2011.

2.34. Proposals in the final planning brief can be summarised as follows:

- no loss of employment floorspace: retaining c40,000 square feet to be delivered in a two-storey building (workshops on the ground floor, connecting to offices above) with flexible internal spaces to allow occupying businesses to expand or contract
- Delivery of the Kiss and Ride included in the final brief, with a new emphasis on using urban design solutions (for example, raised surfaces, paving contrasts) to deliver safely engineered plans, from the feedback from the design workshops.
- Potential for up to 250 apartments included in the final brief, with reinforced emphasis on design excellence, to create high quality character inside the site and reinforce a sense of place through road layouts, building heights, scale and use of materials

- Reinforced emphasis on access to daylight, courtyard or winter gardens, and reference taken from the nature conservation railway embankments inside the site and views from outside the site, especially the most visible section from Carters Estate in West Barnes Lane
- New emphasis on urban design solutions to deliver a safe access under the railway bridge and increase the feeling of safety and activity within the site, including front doors onto the street wherever possible, a lighting scheme for the railway bridge.

3 ALTERNATIVE OPTIONS

- 3.1. The main alternative option is for Cabinet not to adopt the planning brief as a supplementary planning document to Merton's Core Planning Strategy. This approach is not recommended as it is unlikely to halt development proposals coming forward but could remove the ability for crucial elements that the community want included to be actively considered by decision-makers in assessing any planning application for the site.
- 3.2. The current proposals outlined in the final brief do not result in a loss of employment floorspace, deliver new flexible space for SME businesses, deliver much-needed new homes, deliver improved access to Raynes Park train station and will minimise the traffic from the site, especially heavy traffic using local roads. These proposals are likely to be acceptable in principle under national policy (the National Planning Policy Framework 2012) and the London Plan 2011, both of which are more recently published documents than Merton's Core Planning Strategy 2011 and so would take precedence in the event of any conflict.
- 3.3. The final planning brief gives significant weight to issues raised at community consultation and in the Raynes Park Enhancement Plan and associated reports particularly the emphasis on high quality, co-ordinated urban design solutions to deliver an attractive well-designed site and entrance. If the brief is not adopted, there will be no detailed guidance on the delivery of Rainbow advised by the local community, Network Rail and others for decision-makers to consider.
- 3.4. If adopted, this planning brief will be the only statutory planning document ensuring the delivery of the Kiss and Ride as part of the redevelopment of the Rainbow industrial estate. The Raynes Park Enhancement Plan 2008-2011 mentions this project, but without as much detail to demonstrate its delivery and the Enhancement Plan is not a statutory planning document that decision-makers can prioritise in considering planning applications for the site.
- 3.5. There are options around amending matters within the final brief prior to adoption.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Consultation took place over six weeks during June and July 2012 and responses were accepted into August 2012. Community engagement included:

- a leaflet to all residential and business addresses within 800m of the site, letting them know about the consultation, where they could find out more and how they could respond.
 - Speaking at the Raynes Park Forum on Thursday 21 June 2012 to let people know about the proposals, where to find out more and how to respond
 - A drop-in event held on Friday 29 June and Saturday 30 June 2012, in the Methodist Church in Raynes Park, where people could view the consultation documents, ask questions and leave their responses.
 - Attending a one-off event organised by local councillors in July 2012 on the draft brief
- 4.2. All responses to this consultation are available online and a statement of consultation has been prepared with the final brief, summarising these responses and letting people know what actions were taken as a result.
- 4.3. Additional engagement was carried out during the course of preparing the brief, including:
- two design workshops (October 2012 and January 2013) hosted and attended by community representatives, including representatives from the three residents groups adjoining the site
 - dialogue with Network Rail, education providers, the NHS, Thames Water and others.
- 4.4. The consultation results and the council's actions are summarised in the body of this report. The SPD is accompanied by a statement of consultation, setting out comments received and how these comments have been considered.

5 TIMETABLE

- 5.1. If the planning brief is adopted by Cabinet, it would be up to the landowners to apply for planning permission for the site to be redeveloped. The landowners have indicated that they wish to progress with this in the short term.
- 5.2. If this were to occur, new up-to-date evidence on financial viability, transport assessments, building design and all the other requirements of Merton's planning applications process would be expected to be prepared by the applicant and submitted to the council for assessment in the usual way.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Council resources have been used to prepare the final planning brief. The research informing the final brief and costs associated with its preparation are in the region of £15,000.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Local Plan (Local Development) (England) Regulations 2012 have been followed in producing this planning brief. The Rainbow Industrial Estate planning brief has been produced as a supplementary planning document to Merton's Core Planning Strategy, in accordance with the provisions of these Regulations. The planning brief is in general conformity with Merton's Core Planning Strategy 2011, the London Plan 2011 and the National Planning Policy Framework 2012

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. An Equalities Impact Assessment has been prepared in conjunction with this planning brief (supplementary planning document)
- 8.2. The planning brief has also been informed by a ongoing Strategic Environmental Assessment and Sustainability Appraisal, prepared in parallel with each stage of the plan and used to ensure that the plans deliver social, economic and environmental benefits equally. Some of the objectives that the plans have been appraised against relate to improving community cohesion.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. Advice on designing out crime has been included in the final brief. The Met Police have been engaged in the course of preparing this planning brief.
- 9.2. The Sustainability Appraisal, prepared in parallel with each stage of the plan to ensure that the plans deliver social, economic and environmental benefits assesses the plans against objectives to reduce crime and the fear of crime.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purposes of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Rainbow planning brief (supplementary planning document to Merton's Core Planning Strategy 2011)
- Sustainability appraisal of the Rainbow Planning Brief

12 BACKGROUND PAPERS

- 12.1. Local Plan (Local Development) (England) Regulations 2012
- 12.2. National Planning Policy Framework
- 12.3. Mayor's London Plan 2011
- 12.4. Merton's Core Planning Strategy 2011
- 12.5. Raynes Park Enhancement Plan 2008-2011 (and associated Streetscene and Advertising reports)
- 12.6. Consultation feedback from consultation on the draft Rainbow planning brief
- 12.7. Rainbow planning brief equality impact assessment

- 12.8. Rainbow planning brief – viability summary
- 12.9. Rainbow planning brief – urban design report
- 12.10. Rainbow planning brief – transport report