7.13 The granting of temporary planning permission, whether for the use of existing buildings or the construction of new buildings, should only be granted where there is a strong case for not granting a permanent planning permission. The granting of temporary permission for a new building will not be seen as an excuse for non-compliance with other planning policies.

FINANCE

7.14 Finance availability is probably the most critical element in determining the timing and form of future development. The aim of the Plan is to offer the opportunity for such investment to occur in a way which will benefit the Borough.

7.15 The Plan does not allocate responsibility for implementation of proposals to any particular agency and it does not cost the various proposals. Responsibilities between the private and public sectors are subject to change, as are their respective financial capabilities. The Plan provides a framework within which investment decisions can be encouraged. Nevertheless, there is a close relationship between public and private investment and successful implementation often relies on the use of resources from both parties. Wherever possible the resources of the Council will be directed to realising opportunities to harness private investment.

7.16 The Council will work in partnership with organisations, agencies interest groups and businesses to develop bids for external sources of funding. The eastern part of the borough, including the Wandle Valley Regeneration Area is the Council's priority for attracting inward investment.

PUBLIC SECTOR FINANCE

7.17 Financial resources available in the public sector are largely determined by factors outside the control of the Council. Central Government exercises control over the level of expenditure for capital projects. In general, the Council has limited scope for expanding its resources to meet capital expenditure, except insofar as it is able to use a proportion of capital receipts, which it has obtained by the disposal of other Council assets. It must seek to achieve maximum benefit from the finances available and further develop alternative methods of finance in partnership with private interests.

7.18 At the present time the level of public sector capital resources available is severely limited and it is on the basis of this limitation on resources and the anticipated scale of investment which can be attracted from the private sector, that the level of public expenditure in the Plan must be established. This again highlights the need for regular reviews of the Plan to reflect changing circumstances.

PRIVATE SECTOR FINANCE

7.19 The future level of private sector investment in the Borough cannot be predicted, especially in view of the rapidity with which interest rates, confidence levels and profit margins change.

7.20 Private sector investment, particularly in commerce and industry, has made a major contribution to the development of the Borough. The Council will look towards the private sector to continue and improve upon its past contribution and secure many of
the objectives of the Plan. The Plan can assist by providing a climate within which the private sector can invest with confidence against a background of declared Council policies.

7.21 The Plan identifies sites on which the Council would like to see development take place and the form of that development. This means that development pressures can be channelled in the most beneficial way and also that the Council can increase local, regional and national awareness of local development opportunities.

POLICY F.1: PRIVATE INVESTMENT

THE COUNCIL WILL WORK IN PARTNERSHIP WITH ORGANISATIONS IN ORDER TO ENCOURAGE PRIVATE INVESTMENT AND DEVELOPMENT TO SECURE THE OBJECTIVES OF THE PLAN. THE PROPOSALS MAP AND SCHEDULES OF PROPOSALS IDENTIFY THOSE SITES WHICH THE COUNCIL REGARDS AS SUITABLE FOR DEVELOPMENT FOR PREFERRED USES.

POLICY F.2: PLANNING OBLIGATIONS

THE COUNCIL WILL REQUIRE A PLANNING OBLIGATION WHERE NECESSARY TO MAKE A PROPOSAL ACCEPTABLE IN LAND USE PLANNING TERMS.

Justification

7.22 Planning obligations are often required in order to ensure that development is satisfactory, particularly where this cannot be satisfactorily controlled by planning conditions. The Council will enter into agreements with developers of land in order to ensure that development is in accordance with policies in the Plan and to enable development to proceed.

7.23 In entering agreements the Council will act in accordance with statutory requirements and will take account of current government guidance relating to planning obligations.

7.24 Part 1 Policy ST.36 (Community Benefits) sets out the strategic context for Planning Obligations. The circumstances where agreements will be sought are set out in the Plan. Government Guidance recognises that development can provide opportunities for facilities or the enhancement of an area within or outside a development site. Appropriate benefits for example, are those relating to housing, employment, leisure, environmental improvements, educational improvements, community facilities, nature conservation, transport and town centre improvements. In securing planning obligations in schemes including affordable housing the Council will try and avoid seeking benefits at the expense of affordable housing since this in itself is a community benefit. The Council will also require agreements to contribute to research studies in connection with a proposed development where information to determine the proposal would not otherwise be available.

7.25 Although the Council will take into account the offer of planning obligations by developers this will not make development which is not in accordance with the Plan acceptable to the Council.

7.26 The Council will produce an annual report on Section 106 Agreements.
POLICY F.3: COUNCIL EXPENDITURE

COUNCIL EXPENDITURE WILL BE DIRECTED TOWARDS DEVELOPMENTS AND SERVICES WHICH WILL OFFER THE GREATEST SOCIAL BENEFIT, AND FACILITATE THE IMPLEMENTATION OF THE PLAN'S POLICIES AND PROPOSALS. THE LOCAL AUTHORITY WILL ENCOURAGE CENTRAL GOVERNMENT, AGENCIES, BODIES, ORGANISATIONS AND THE PRIVATE SECTOR SIMILARLY TO CHANNEL THEIR LOCAL EXPENDITURE TO MEET THE OBJECTIVES AND POLICIES IN THE PLAN.

Justification

7.27 In the past there has been insufficient investment in the Borough, particularly in the town centres, resulting in inadequate facilities and services to meet the needs of the community. In order to revitalise town centres additional finances and resources should be made available from both the public and private sectors. The older areas of South Wimbledon, Colliers Wood, Morden and Mitcham exhibit the worst physical, social and environmental problems in the Borough, similar to those evident in Inner London Boroughs. Different types of investment for each area are needed to encourage renewal and to remedy these problems. At the same time, it is necessary to ensure that in other areas conditions do not deteriorate, thus creating additional problem areas.

7.28 Council will encourage private sector investment in Merton by working with a range of partners, in order to secure the development of sites. It will provide opportunities for contributions to be made to environmental improvements in the Borough and the provision of community facilities and other social benefits. The provision of financial and sites and premises information will be made available in order to initiate and secure employment generating developments.

7.29 Public expenditure has a vital role in alleviating social problems. In doing this it provides a "pump priming" framework within which private investment can be encouraged in a way beneficial to the Borough.

POPULATION AND HOUSEHOLD TRENDS

7.30 At the 1991 population Census, the London Borough of Merton had a resident population of 168,470. This represents an increase of 2,000 people over the 1981 figure and reverses the trend towards population decline in the Borough. The increase is projected to continue, over the next two decades, as illustrated in Figure 7.1 to 191,689 by 2016 (the former London Research Centre 2000). This trend mirrors that for London as a whole, which is also experiencing a rise in population after a long period of decline. The increase is a result of a combination of factors including natural change (an excess of births over deaths) and net in-migration from within the UK and overseas.

7.31 Figure 7.2 shows the changing size of Merton's population broken down by age-group. While there is some variation in the proportions of the population belonging to each age group over time, there are no significant trends or projected changes.

7.32 More significant are the changes in the number and size of households in the Borough. As in Britain as a whole, the number of households in Merton is increasing at a greater rate than the size of the population, which means that the average size of households is decreasing. The proportion of 1-2 person households in Merton increased from 43% in 1961 to over 60% in 1991. These trends are projected to continue and are illustrated in Figures 7.3 and 7.4.

7.33 The projected population figures cited above are drawn from projections carried out by the former London Research Centre (LRC). As with all population projection
methodologies, the former LRC model makes a number of assumptions about changes in key variables, including fertility, migration and house-building activity. For the figures used here, the main assumptions are that fertility will be high during the projection period and that migration patterns will be led by the availability of dwellings. This may be seen as a relatively conservative projection, where Merton experiences restraints on new dwelling provision (through the application of stringent planning policies in the absence of suitable land, for example), influencing people to move outside the Borough. These assumptions are considered realistic given the complexity of housing supply in London, although it is recognised that all population projections have limitations arising from the difficulty in predicting social change. These figures should be treated with some caution and are included as a guide only to the way in which demographic changes will affect Merton over the Plan period.

**ECONOMIC ACTIVITY**

7.34 For those aged 16 and over, the Census distinguishes between the economically active (those employed, self-employed, unemployed or on a Government scheme) and the economically inactive (students, the permanently sick and the retired). In 1991, 93,200 of Merton’s population aged 16 and over was economically active. That figure is predicted to increase to 97,700 for 1999. The proportion of the population aged 16 and over in Merton that is economically active as a percentage of the total population aged 16 and over will therefore increase from 66.5% in 1991, to 67.1% in 1999 (the former London Research Centre, August 1999). This is partly due to changes in the age structure of the population and partly due to an increase in the proportion of the population that is choosing to be economically active. This indicates a continuing and growing need for work in the population aged 16 and over.

**ETHNIC MINORITIES**

7.35 According to the 1991 population census, 16.3% of Merton’s population belonged to one of the minority ethnic groups, of which the largest are Indian and Black Caribbean. This is predicted to increase to 23% by 2011, with Black African, Indian and other Asian groups being the largest minority groups (the former London Research Centre, 1998). Members of the ethnic minority community tend to live in the north-eastern part of the Borough with the highest concentration in the following wards: Graveney (45% belonging to an ethnic minority), Figges Marsh (28%), Longthornton (25%), Colliers Wood (24%) and Lavender (22%).

7.36 1991 Census data shows that across London, as in Merton, the minority ethnic groups all have a younger age structure than the white group, which partially explains why their population is growing at a faster rate than the population as a whole. In Merton in 1991, 52% of the ethnic minority population was aged under 30 compared to 39.6% of the white population. In addition, ethnic minority households tend to be larger than those in the rest of the population. 1991 Census data for Merton show 31.2% of one person households in the white population compared to 16% for the ethnic minority population as a whole. Within these figures for ethnic minority populations, however, there are significant differences between the different minority ethnic groups.

**PEOPLE WITH DISABILITIES**

7.37 In May 1996, approximately 8,200 Merton residents were registered as having a physical or sensory disability, although the actual number of physically disabled
persons may be higher given that not all those with a disability are registered as such. A further 600 Merton residents are registered as Social Service users with a learning disability; again this figure is probably an under-estimate of the true number of people in Merton in this category.

IMPLEMENTATION OF THE PLAN, MONITORING AND REVIEW

7.38 Planning policies can be implemented by various agencies: The Council; Government Departments; statutory undertakers; the private sector and the people of Merton themselves.

7.39 The Plan attributes considerable importance to the role of private investment in the Borough and recognises the role of the public sector in encouraging investment through improvement to the infrastructure and environment. The active promotion by the Council of the opportunities available and the achievement of public gain through private development will be important mechanisms to implement the Plan. The identification of appropriate development sites on the Proposals Map, for instance in Colliers Wood, is a sound basis for channelling investment into the Borough. An important aspect of the Plan’s implementation will be to draw its policies, and more significantly its proposals, to the attention of the private sector. The policies and proposals are considered capable of implementation during the Plan period, i.e. 2001-2011.

7.40 The Plan does not pretend to aim to rectify all the Borough’s problems and its inherent deficiencies. The need for the Plan to be realistic in terms of resource availability precludes this and reviews of the Plan will establish a rolling programme of change and development.

7.41 The resource base of the Borough will significantly influence the extent to which change can take place. The limited resources available and the reasonably good balance between different land uses and activities restricts the amount of change likely to affect the present land use pattern. The available resources will, therefore, be geared to redressing the deficiencies in specific parts of the Borough.

POLICY MR.1: MONITORING AND REVIEW

THE COUNCIL WILL REGULARLY MONITOR AND REVIEW AS APPROPRIATE THE POLICIES AND PROPOSALS IN THE PLAN TO TAKE ACCOUNT OF CHANGING NEEDS AND CIRCUMSTANCES AND WILL PREPARE AN ANNUAL STATEMENT.

Justification

7.42 The Plan is designed to establish a set of policies and proposals over the next ten years or so. In that no “end state Master Plan” is appropriate, it is necessary to monitor and review the Plan, amending it to take account of change in policy, needs, new site opportunities and varying resource availability. This review will be carried out on an annual cycle. An Annual Report will be prepared in order to comply with the Secretary of State’s requirements, in Strategic Guidance, for the monitoring and review of UDPs. During the monitoring process it will be necessary to maintain a balance between the various strands of policy (notably housing, employment and movement).

7.43 Promotion and co-ordination of Plan policies and proposals need to be geared to the 10-year Plan period. The Council will co-ordinate and programme activities, including those of other public and private agencies, and will initiate action to ensure the various elements of the Plan are achieved within the Plan period. An annual monitoring of the Plan will take