

Address:	52 Avenue Road London NW8 6HS		2
Application Number(s):	2022/1863/P	Officer: Sofie Fieldsend	
Ward:	Primrose Hill		
Date Received:	29/04/2022		
<p>Demolition of existing dwelling and erection of three, 3 storey buildings over part lower ground/basement, comprising total of 12 townhouses (12 x 3 bed), together with associated landscaping and installation of new access gate onto Avenue Road.</p>			
<p>Background Papers, Supporting Documents and Drawing Numbers:</p> <p>Existing: 208-250A; 208-251A; 208-275; TS12-157J/1; TS06-102n\2; TS06-102n\3</p> <p>Proposed:</p> <p>208-252G; 208-253E; 208-254E; 208-255G; 208-256C; 208-257B; 208-258B; 208-259; 208-260; 208-261D; 208-270; 208-271B; 208-272D; 208-273D; 208-274D; 208-276; 208-277A; 208-278; 208-290C; 208-291C; 208-320D; 208-321D; 208-322C; 208-323C; 208-324C; 208-325C; 208-326C; 208-327C; 208-328C; 208-329C; 208-330C; 208-331C; 208-400; 208-401; 208-402;</p> <p>Supporting Documents: Basement Impact Assessment Rev.06 by A-squared Studio dated 6/10/2022; Ground Movement Assessment Rev.04 by A-squared Studio dated 9/5/2022; Financial Viability Assessment by JLL dated May 2022; Stage 1 Road Safety Audit by Highway Associates dated 25/10/21; Structural Method Statement by Heyne Tillett Steel dated 10.5.22; Flood Risk Assessment & SuDS Strategy Report Rev P01 by Heyne Tillett Steel dated May 2022; SKC101 Rev.P2 by Heyne Tillett Steel dated 7/10/22; SKC100 Rev.P2 by Heyne Tillett Steel dated 6/10/22; Whole Life Cycle Carbon Emissions Assessment V4 by Hodkinson dated Oct 2022; Ground Source Viability Note by Integration dated 31.8.22; Heritage Appraisal by the Heritage Practice dated April 2022; Arboricultural impact assessment by Landmark Trees dated 6/5/22; Fire Strategy report Rev.04 by Atelier ten dated 10/5/22; Sunlight & Daylight Assessment by Aval Consulting Group dated 20/7/22; Employment and Skills Plan by Aval Consulting Group dated May 2022; Waste and Recycling Strategy by Aval Consulting Group dated April 2022; Construction Management Plan by Aval Consulting Group dated 26th April 2022; Transport Statement by Aval Consulting Group dated April 2022; Letter from Aval Consulting Group dated 26th July 2022; Air Quality Desktop Assessment by Aval Consulting Group dated April 2022; Air Quality Assessment by Aval Consulting Group dated August 2022; Noise Impact Assessment by Aval Consulting Group dated April 2022; Energy Strategy by Aval</p>			

Consulting Group dated July 2022; Design and Access Statement by DOMVS dated April 2022.

RECOMMENDATION SUMMARY: Grant Conditional Planning Permission Subject to a Section 106 Legal Agreement

Applicant:	Agent:
DOMVS Bridge House Market Street Glossop SK13 8AR	Nicholas Taylor + Associates 46 James Street London W1U 1EZ

ANALYSIS INFORMATION

Land use details				
Use Class	Description	Existing GIA (sqm)	Proposed GIA (sqm)	Difference GIA (sqm)
C3	Dwellings	678	5,206	+ 4,528
C3	Ancillary communal spa and pool	0	1,268	+ 1,268
	Total combined floorspace	678	6,474	+ 5,796

Residential Use Details (on-site)						
	Residential Type	No. of Bedrooms per Unit				
		1	2	3	4+	Total
Existing	House	-	-	-	1	1
Proposed	Flat	-	-	-	-	0
	House	-	-	12	-	12

Parking Details:		
	Parking Spaces (General)	Parking Spaces (Disabled)
Existing	15	0
Proposed	0	0

EXECUTIVE SUMMARY

The application site is No.52 Avenue Road, a large detached single-family dwelling arranged over two storeys and located in the Elsworthy Conservation Area. The dwelling occupies two historic plots.

The site is included within the Draft Camden Site Allocations Document 2020. The site is Policy IDS20u. This site is identified for the development of self-contained housing.

The proposal results in the complete demolition of a derelict single family dwelling house, the site is recognised in the Elsworthy conservation statement as a detractor. The replacement dwellings set across 3 terrace blocks are considered to enhance the character and appearance of the conservation area. No harm has been identified to any other heritage assets. The redevelopment will help address current safety and security concerns about the derelict site through its reactivation and development which will also positively affect its character.

The scheme will provide 12 new residential units and secure the delivery of 8 social-affordable rented units nearby at Canfield Place which already benefits from planning permission (but as market housing). Given the emphasis on maximising housing supply in Local Plan Policy H1 and the NPPF, and Camden's score of 76% in the 2021 Housing Delivery Test, as well as the overwhelming need for affordable and family homes, the provision of housing on these sites should be given significant weight.

In conclusion, the proposal would preserve and enhance designated heritage assets and no harm has been identified. Although there would be limited impacts on neighbouring amenity, the benefits of the scheme would be significant enough to more than outweigh these matters. There are several public benefits of the scheme that could outweigh any identified harm:

- Overall improvement to the townscape and street scene;
- Supporting sustainable modes of transport through car free development and removing all of the existing car parking on site;
- Significantly exceeding energy and carbon reduction targets through a highly sustainable development;
- Providing urban greening at roof level and provision of higher quality replacement trees to provide biodiversity and ecology benefits;
- Reducing crime and antisocial behaviour through redevelopment and use of a long term derelict site;
- Investment in the Camden economy through local procurement during construction;
- Opportunities for local people to undertake apprenticeships and work placements through an enhanced employment and training package;
- Twelve new high quality homes;
- Provision of offsite social affordable rented homes for residents at Canfield Place, replacing private sale units that already benefit from planning permission; and
- Significant contributions towards the provision of local infrastructure and facilities through CIL.

OFFICERS' REPORT

Reason for Referral to Committee:

The application is a major development which involves the construction of buildings, resulting in provision of 10 or more new dwellings [clause 3i]

1 SITE

- 1.1 The site is bounded to the south by Avenue Road, to the west by Elsworthy Road. No.57 Elsworthy Road is located to the north, 50 Avenue Road to the west and 56 Avenue Road to the east.

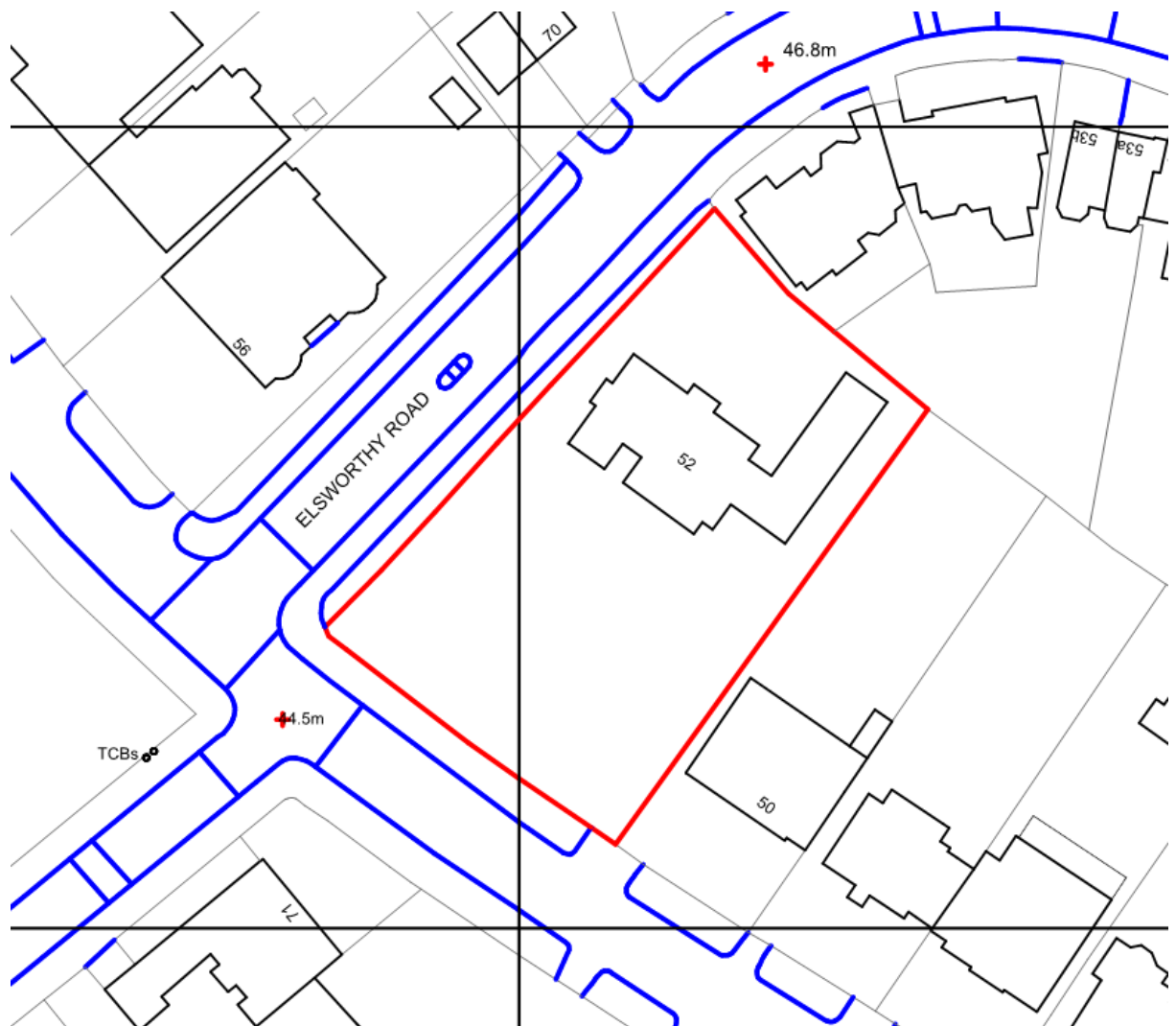


Image 1: Site location plan

- 1.2 The site currently accommodates a two-storey plus roof detached residential dwelling (Class C3) arranged over basement, ground and first floors which was built in the 1950's. The dwelling sits across two historic plots which were merged into one site.

- 1.3 The surrounding area is residential in character, with large single homes and large mansion blocks. The building on the site is derelict, is not listed, but is within the Elsworthy Conservation Area. It is described in the Conservation Area Statement as making a negative contribution to the special character and appearance of the Conservation Area due to its derelict state. No.50 Avenue Road and No.57 Elsworthy Road which share a boundary with the site are recognised as positive contributors to the conservation area. There are no listed buildings adjacent to the site.
- 1.4 There are underground constraints to the site which include groundwater flow, surface flow and land stability.
- 1.5 There are a large number of trees on site, although it is acknowledged that the vast majority of these are low quality trees with low safe or useful life expectancies. The most important/high value trees are the London Plane trees located on Elsworthy Road which will remain.
- 1.6 The PTAL rating the site is 4 which indicates a good level of public transport accessibility. The closest bus stops are located 450m and 583m away and Swiss Cottage tube station is 750m away.
- 1.7 The site is in Controlled Parking Zone (CPZ) CA-B Belsize, for which the Controlled Hours are Monday to Friday – 09:00-18:30, Saturday – 09:30-13:30, and no controlled hours on Sunday. Near the site, the predominant parking restriction is single yellow lines.

2 THE PROPOSAL

- 2.1 Planning permission is sought to demolish the existing two storey dwellinghouse and erect three, three storey blocks consisting of a total of 12 townhouses with lower ground and basement levels. A communal space is also proposed for the residents at basement level with a swimming pool and spa area and these are not publicly accessible. Significant landscaping works are proposed and the front and side boundaries will be altered to create a carriage driveway fronting Avenue Road and the existing vehicle access on Elsworthy Road will be replaced with a pedestrian gate.
- 2.2 The development seeks to provide a total of 12 dwellings each providing three bedrooms and private amenity space within a rear garden and at roof level for each dwelling. All units would exceed the minimum floorspace standards and provide a good standard of accommodation.
- 2.3 All townhouses incorporate a lift and are designed to meet M4(2) (accessible and adaptable dwellings) which will be conditioned. In addition, Unit 5 will be conditioned to ensure that it complies with M4(3) (wheelchair adaptable dwellings) (condition 24).

- 2.4 The proposed cycle and waste storage (three stores) would be at garden level. A carriage driveway would be provided to service the site off the public highway. A lift is provided at ground level to provide step-free access to the spa at basement level. Two additional staircases will also provide external access to the spa.
- 2.5 The development would result in the removal of low quality trees with low safe useful life expectancies. Replacement higher quality trees would be secured by condition. The London plane trees on Elsworthy Road frontage of the site that are LB Camden owned and managed and are off site and would be retained and protected.
- 2.6 Revisions:
- Front building line reduced by 1.5m to match neighbouring properties along Avenue Road.
 - Proposed inner elevational plans are now regularised by 'flipping' the internal layouts of some of the units so that all front entrance doors are now symmetrical along the length of each building and don't simply appear centralised within each inner plan.
 - Step-free access via a lift introduced to allow access to the basement swimming pool / spa area.
 - Removal of 2x on-site disabled parking spaces.
 - Site boundary corrected to only include land within their ownership and not land owned by the Council on Elsworthy Road.
 - Removal of 4th bedroom at lower ground floor of all units, resulting in all units now being 3 rather than 4 bedrooms. These rooms will now be a study.
 - Removal of active cooling for the dwellings.
 - Provision of whole life carbon assessment.
 - Revised landscaping plan showing additional replacement trees.

3 RELEVANT HISTORY

Application site

- 3.1 **TP39525/7889-** The erection of a two-storey single-family dwelling-house, chauffeur's flat and private garages and the formation of new means of access to Elsworthy Road – **Granted 08/10/1956.**

Application site – tree works

- 3.2 Over the last 4 years, there have been several tree applications to prune and manage trees on the site with no objection from the Council.

Site proposed for affordable housing contribution - Garages 1 - 16 Canfield Place, NW6 3BT

- 3.3 **2017/1910/P** - Demolition of 16 single storey garages (Sui Generis) and redevelopment of the site to provide 8 mews type residential dwellings (C3) comprising 3 x two storey properties and 5 x three storey properties with associated roof terraces. – **Granted 11/10/2021**

4 CONSULTATION SUMMARY

Local groups/stakeholders

4.1 Thames Water:

Thames Water raised no objection subject to a condition preventing construction close to the water main without details of diversion, and an informative about water pressure. These have been attached.

4.2 Elsworthy CAAC and Elsworthy Residents Association:

- This site is strategic to the entrance of the Elsworthy Conservation Area. The designation of the area depended initially on William Willett's garden suburb 1898-1908. He laid out the area of his development with new roads lined with plane trees and privet hedges.
- The entrance to Elsworthy Road from Avenue Road is his original planting and it is essential that the green access of plane trees and privet hedges - they are on Camden land on both sides of the street - that line the road be protected and maintained during the future development of the site. For this reason it is good that vehicular access to the site is positioned, as originally, from Avenue Road, no longer from Elsworthy Road.
- The drawings do show some discrepancies regarding the position of the front doors but the overall scale of the development is sympathetic to this site and its setting.
- There is some doubt that a wheelchair/disabled resident can gain access to their front door from their car park bay.
- There is concern that the number of refuse bins required for 12 households will cause the pedestrian passage along Elsworthy Road to be severely impaired/blocked when taken out through the pedestrian gate once a week and left ready for collection.
- There is a risk that the hedges may indeed be sacrificed as a result.
- An alternative on Avenue Road should be found. (I write with the evidence that the flats at 43 Elsworthy Road have insufficient provision and the pavement is blighted by rows of bins all week.) Eventually it is these details that can impact on the Conservation Area and the residents who live there.

Adjoining Occupiers

4.3 Five site notices were displayed from the 15/6/2022 until the 09/07/2022. A press advert was placed on 16/6/2022 which expired 10/7/2022.

4.4 The council received 19 responses, consisting of 6 objections and 13 letters of support. The comments/objections are summarised below:

- 1) Design:
 - Ugly, overbearing, out of scale and character. Quality should be better.

- Townhouses out of character in the area, should only be one or two houses.
 - Poor visual impact on Avenue Road and Elsworthy Road.
 - Concern will set precedent for more flats in the street.
- 2) Amenity:
 - Loss of privacy to No.50 and other neighbouring properties.
 - Loss of view to neighbouring properties.
 - 3) Trees: Loss of trees within the site and impact on No.50 Avenue Road's trees
 - 4) Basement: damage local area, ground floor flow and slope stability.
 - 5) Increased flood risk.
 - 6) Project lacking sustainability.
 - 7) Road safety: concerns about increased traffic and vehicle entrances.
 - 8) Consultation: No.50 Avenue Road not informed.
 - 9) Other:
 - Increased traffic, infrastructure (water) strain by future occupiers.
 - Construction traffic and increased noise, dirt and air pollution.
 - Increased crime risk.

Officer response:

- 1) The current derelict site detracts from the character and appearance of the conservation area and its replacement buildings would not appear out of character in terms of its detailed design, scale or layout. It is considered that given the scale of the site, it can accommodate additional dwellings.
- 2) The development has been designed to minimise loss of privacy and outlook, it would not have a detrimental impact to neighbouring properties.
- 3) The majority of the trees on site are low quality and the scheme would secure high quality replacement trees and landscaping. The Council's tree team have concluded subject to protection details that the development would not harm No.50's trees.
- 4) A BIA was externally audited and found subject to a Basement Construction Plan being secured by S106 obligation that it would not have a detrimental impact on ground water flow and slope stability. In line with policy the burland impact scale would not be more than 1.
- 5) The scheme provides no combustible heating and ground source heat pumps instead will heat the site. Sustainability measures are secured by condition and S106.
- 6) The development will be car free and all existing parking spaces will be removed.
- 7) Public consultation was undertaken in accordance with the Statement of Community Involvement (2016) in terms of site notices and a press notices.
- 8) No car parking is proposed on site and the new dwellings are secured as car free. Thames Water have raised no concerns about water network infrastructure capacity. In terms of construction a CMP will be secured by condition. The Council's designing out crime officer has concluded that the redevelopment of the site will help reduce crime on the currently derelict site.

The letters of support are summarised below:

- Current derelict building an eyesore, attracts crime, ASB and squatters.
- Design high quality and in keeping with the conservation area.
- Reinstates the historical grain and rhythm of Avenue Road.

- Sustainability and biodiversity welcomed.
- Development of a brownfield site.
- Provision of off-site affordable housing.
- Long and short term local employment opportunities.
- Contribution to CIL and Council tax.

5 POLICIES & GUIDANCE

5.1 National Planning Policy Framework 2021

5.2 National First Homes Policy (Written Ministerial Statement May 2021)

5.3 The London Plan 2021

5.4 Camden Local Plan 2017

G1 Delivery and location of growth
 H1 Maximising housing supply
 H3 Protecting existing homes
 H4 Maximising the supply of affordable housing
 H6 Housing choice and mix
 H7 Large and small homes
 A1 Managing the impact of development
 A2 Open space
 A3 Biodiversity
 A4 Noise and vibration
 A5 Basements
 C6 Access for all
 D1 Design
 D2 Heritage
 T1 Prioritising walking, cycling and public transport
 T2 Parking and car-free development
 T4 Sustainable movement of goods and materials
 CC1 Climate change mitigation
 CC2 Adapting to climate change
 CC3 Water and flooding
 CC4 Air quality
 CC5 Waste
 DM1 Delivery and monitoring

5.5 Supplementary Planning Guidance

CPG Design
 CPG Amenity
 CPG Access for all
 CPG Basements
 CPG Transport
 CPG Biodiversity
 CPG Water and flooding
 CPG Housing

CPG Trees
CPG Planning for health and wellbeing
CPG Energy efficiency and adaptation
CPG Developer contributions

Planning Statement on the Intermediate Housing Strategy and First Homes
(March 2022)

Elsworthy Conservation Area Appraisal and Management Strategy 2009

London Borough of Camden Housing Delivery Test - Action Plan August 2022

ASSESSMENT

The principal considerations material to the determination of this application are considered in the following sections of this report:

6	Land Use
7	Principle of demolition
8	Affordable Housing
9	Housing Mix and Standard of Accommodation
10	Design and Conservation
11	Safety and security
12	Waste
13	Impact on Neighbouring Amenity
14	Basement Development/ Flood Risk
15	Air Quality
16	Sustainability and Energy
17	Transport
18	Trees and Landscaping
19	Open Space
20	Employment and Training Opportunities
21	Planning Obligations

22	CIL
23	Conclusions
24	Recommendations
25	Legal Comments
26	Conditions and Informatives

6 Land Use

- 6.1 The principle of creating additional residential floorspace and residential units is strongly supported as housing is the priority land use under policy H1 of the Camden Local Plan. The principle of additional housing on the site therefore complies with policy. The site was also identified in the Draft Camden Site Allocations Local Plan (February 2020) as suitable for self-contained homes, the expectation being that the land could reasonably deliver more homes than the single home which currently exists. The draft allocations set out the Council's aspirations, but given the current status of the document and that it will be revisited as part of wider work on the Local Plan Review, it only has limited weight in decision-making.
- 6.2 The HDT is an annual measurement of housing delivery in the area of relevant plan-making authorities introduced by the government. It measures whether planned requirements (or, in some cases, local housing need) have been met over the last 3 years. Given the Council's current performance against the Housing Delivery Test (HDT), significant weight should be given to the provision of housing.

7 Principle of Demolition

- 7.1 The principal considerations regarding the proposed demolition are the impact on the conservation area, and the environmental impact. The proposal involves the demolition of the existing derelict building which is identified as making a negative contribution to the Elsworthy Conservation Area in the Conservation Area Appraisal and Management Plan.
- 7.2 Applicants are required to justify their demolition, having regard to the National Planning Policy Framework, Camden's conservation area statements, appraisals and management strategies. When considering applications for demolition, the Council will take account of group value, context and the setting of buildings, as well as their quality as individual structures and any contribution to the setting of listed buildings.
- 7.3 Historically the plot contained two dwellings and in 1956 permission was granted for a single dwelling at the back of the double plot site which was built out following demolition of the original two houses. The site currently

accommodates a two-storey plus roof detached residential dwelling of approximately 678sqm GIA (7,298sqft) arranged over basement, ground and first floors. This dwelling has been in a derelict state for over 10 years (See image 2 below).



EXISTING HOUSE FRONT ELEVATION



EXISTING HOUSE REAR ELEVATION



Main building facing courtyard



Linked staff accommodation



View of west elevation from overgrown garden



Main reception



Collapsed roof / ceiling over reception area



Corroded steel beam



Plaster ceiling removed adjoining reception



Mould growth and rising damp to staff accommodation

Image(s) 2: Photographs of existing dwelling on site

- 7.4 This application seeks to demolish the existing derelict building, and erect three terrace blocks containing 4 houses each to provide 12 large single family dwellinghouses.
- 7.5 As mentioned, the site is recognised as a negative contributor to the Elsworthy Conservation area in the conservation statement which indicates that there are limited grounds for its retention and therefore the Council would seek a replacement with a building(s) that instead would enhance this part of the conservation area (or at the very least, preserve it). The design and heritage sections of this report deal with the replacement buildings which are an improvement in heritage terms.
- 7.6 Alongside heritage considerations, proposals for demolition and reconstruction should be justified in terms of the optimisation of resources and energy use in comparison with the existing building. Policy CC1 requires proposals to demonstrate that it is not possible to retain and improve the existing building and expects applicants to explore the possibility of sensitively altering or retrofitting buildings before demolition is proposed.
- 7.7 A building survey report has been submitted in order to demonstrate the nature and condition of the existing dwelling on the site. The report clearly demonstrates the state of disrepair and derelict nature of the dwelling and officers are satisfied given this extent of dereliction and underdevelopment of this double plot site that it would not be beneficial to insist on it being retained and retrofitted. Its redevelopment would bring heritage benefits and increase the boroughs housing supply (including off-site affordable housing).
- 7.8 Where the principle of demolition is accepted, Policy CC1 expects developments to divert 95% of waste from landfill and comply with the Institute for Civil Engineer's Demolition Protocol and either reuse materials on-site or salvage appropriate materials to enable their reuse off-site. A Site Waste Management Plan has been submitted which sets targets for construction and demolition waste generation and appropriate mechanisms/protocols for segregating waste on-site and monitoring overall waste management. It states that the development will aim for more than 90% by tonnage of demolition and construction waste to be diverted from landfill. However, in line with policy, 95% would be expected and this shall be secured by condition (condition 7).
- 7.9 Overall, the proposed demolition of the existing buildings is considered acceptable in this instance, in accordance with policies D1, D2, and CC1 of the Camden Local Plan 2017.

8 Affordable Housing

Policy background

- 8.1 Policy H4 seeks to maximise the supply of affordable housing in the borough and expects a contribution to affordable housing from all developments that provide one or more additional homes and involve a total addition to residential floorspace of 100sqm GIA or more. An affordable housing target of 50% applies to developments with capacity for 25 or more additional dwellings, which are

generally those with an additional residential floorspace of 2,500 sqm GIA or more (100sqm per dwelling). The 50% affordable housing target applies in this instance because the proposed homes have a total floorspace of 5,206 sqm GIA, which represents an addition of 4,528 sqm net GIA compared with the existing home.

Financial Viability Assessment

- 8.2 A financial viability assessment has been submitted as part of the application by JLL on behalf of the Applicant that states that the scheme cannot provide any affordable housing contribution either on site, or as a payment in lieu. The assessment has been independently audited by BPS. Whilst some of the inputs were not entirely agreed, the overall outcome was still a scheme in deficit once the developer's profit is taken into account, as required by the NPPF. BPS conclude that with their own inputs, there would still be a deficit of around £7.5m and so the development cannot viably deliver any form of affordable housing contribution without significantly eroding the developer profit. Although the scheme is a high value scheme, the costs associated with it are also very high which is why the scheme comes out in deficit.
- 8.3 The default outcome for a scheme in this position would be to impose a review mechanism to secure affordable housing in the event that the viability position changes favourably. The applicant rather than have the scheme reviewed at a later date has offered an affordable housing contribution upfront, banking on their viability position improving.

Off-site affordable housing – Canfield Place

- 8.4 The application proposes an off-site affordable housing contribution. This would be provided on a site at 'Garages 1 - 16 Canfield Place' which has an existing planning consent for market housing (ref. 2017/1910/P) and is in close proximity to 52-54 Avenue Road (see map below). It is located in the next ward in South Hampstead, with the application site located in Primrose Hill ward, and is about 1,100m away. The Canfield Place site has planning permission for 8 market houses (5 x 3bed- and 3 x 2-bed) providing a total of 818sqm GIA of residential floorspace.

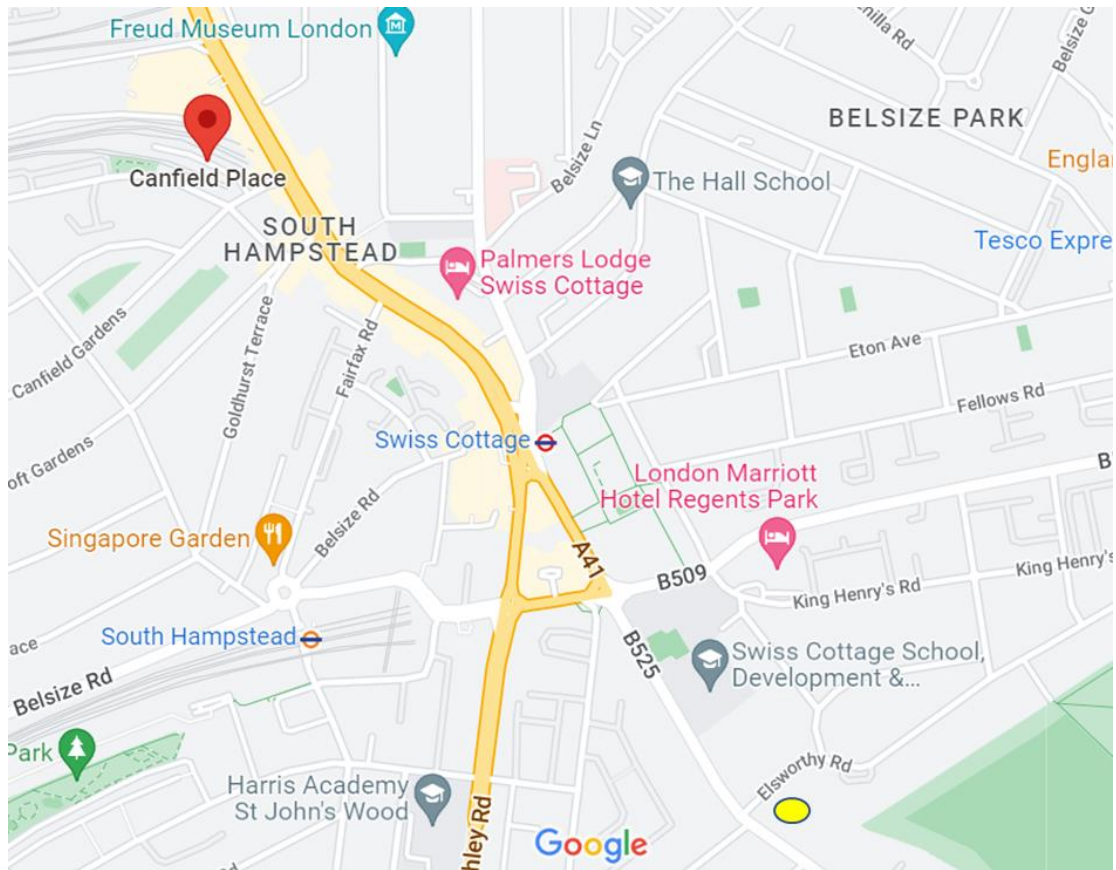
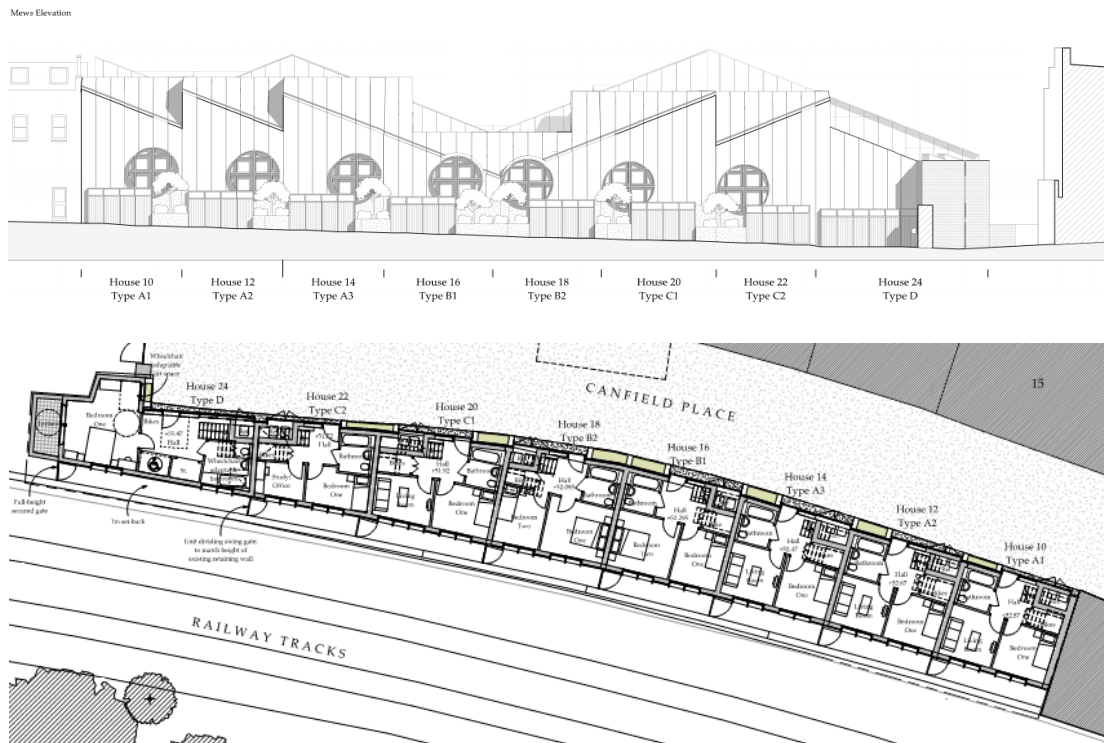


Image 3: Map showing the location of Canfield Place in relation to the application site shown in yellow.

- 8.5 At Canfield Place all units would have access to amenity space (in the form of individual roof terraces) and provide a good quality of accommodation. The houses are not yet built but the current owner has started submitting details as required by the conditions of the existing consent. Officers have seen evidence that the applicant for the current application has an option to buy the Canfield Place site and build it out themselves. They have also shared that they have had positive discussions with Registered Providers that are on the Council's Approved Strategic Partner List. The intention is for the site to be purchased by the applicant and delivered as 100% social-affordable housing instead of the 100% market housing originally permitted. The applicant would work with registered providers to make sure the Canfield Place site is built out to meet the needs of those on the housing register, making any necessary amendments to the scheme accordingly.



Image(s) 4: Approved plans and CGI image of Canfield Place

Two-site affordable housing policy requirement

- 8.6 As noted in the previous paragraphs of this section, an affordable housing target of 50% applies to the proposed development of 52-54 Avenue Road. In relation to considering how far the affordable housing target has been met, paragraph 3.114 of the Local Plan and paragraph 5.24 of the Housing CPG advises that the proportion of additional housing/affordable housing floorspace should be considered across all sites involved. Across the two sites, there will be an addition of 5,346 sqm GIA of housing floorspace (4,528 sqm GIA net at Avenue Road and 818 sqm GIA net at Canfield Place). The housing at Canfield Place (818 sqm GIA) will be social-affordable rented housing. Considering housing proposed across both schemes, affordable housing would represent around

15% in terms of floorspace, and around 42% in terms of units. The table below provides a summary of the tenures across both schemes

Description	Additional dwellings (uplift)	Existing	Proposed	Additional (uplift)	% of total	% of total
		GIA (sqm)	GIA (sqm)	GIA (sqm)	(floorspace)	(units)
Avenue Road - Market housing	11	678	5,206	4,528	85%	58%
Canfield Place - Social Affordable Rent	8	0	818	818	15%	42%
Two-site total	19	678	6,024	5,346	100%	100%

- 8.7 Local Plan Policy H4 sets a guideline affordable housing mix of 60% social-affordable housing and 40% intermediate housing. However, in relation to off-site affordable housing proposals, Local Plan paragraph 3.114 indicates that the Council will expect to achieve a significantly enhanced affordable housing contribution (in terms of quantity and/ or quality) in recognition of the gain in market housing that can be delivered on the application site. In this case, the applicant proposes that all the affordable housing provided at Canfield Place will be social-affordable rented housing. This represents a qualitative enhancement compared with the guideline mix, and is consistent with Local Plan paragraph 3.105, which indicates that we will prioritise delivery of social-affordable housing where a proposal falls substantially short of the affordable housing target. The mix of dwelling sizes approved at Canfield Place is also better suited to our priorities for social-affordable housing than for intermediate housing.
- 8.8 On the basis of these factors, officers consider that the two-site approach achieves the aims of Local Plan policy H4 and provides the maximum reasonable amount of affordable housing. Although the affordable housing would be off-site and there would be a shortfall against the 50% affordable housing target, this is justified by the independently reviewed viability assessment showing that the development would be in deficit and that no affordable housing could viably be provided otherwise. The development is considered to be unviable. However, the shortfall is also considered to be successfully mitigated by delivery of affordable housing in the form of 8 family homes, of which 100% will be for social-affordable rent, on a nearby site that currently has planning permission for market homes and is ready to be built out. The delivery of additional self-contained housing at 52-54 Avenue Road is consistent with Local Plan Policy H1, an underused and derelict residential site, the proposed use of the site in the Draft Camden Site Allocations Local Plan 2020, and the priority to be given to housing delivery by the NPPF in the light of Camden's recent shortfall against housing requirements as assessed by the Housing Delivery Test.

- 8.9 This off-site affordable housing will be secured via a S106 legal agreement which will ensure that the 52-54 Avenue Road development is phased in conjunction with the purchase of the Canfield Place site and its delivery and transfer to a registered provider on the Council's preferred list of providers before newly built market homes at 52-54 Avenue Road are occupied.

First Homes

- 8.10 The national First Homes policy has now come into effect for developments that trigger an affordable housing contribution. First Homes are a new type of discount housing for sale. National policy indicates that First Homes should form 25% of the affordable housing sought in a development, and that where a payment in lieu (PIL) is sought in place of affordable housing, 25% of the value should be used to deliver First Homes. However, the Council has adopted a Planning Statement on the Intermediate Housing Strategy and First Homes, which indicates that First Homes in Camden would not be affordable to median income residents, and consequently First Homes will not be sought in the borough. Having regard to the national and local policies relating to First Homes, the Council's preferred affordable housing types identified by Local Plan Policy H4 and CPG Housing 2021, and the particular circumstances of the application (notably the shortfall against the affordable housing target, the delivery of the affordable housing on an alternative site near the application site, and the character of the homes being delivered off-site), the proposal for all affordable homes arising from the application to be provided as social-affordable rented housing is considered to be appropriate.

9 Housing Mix and Standard of Accommodation

- 9.1 Policy H7 seeks a mix of large and small homes in each development (where large homes are defined as those with 3 bedrooms or more), and expects developments to contribute to the priorities set out in the Dwelling Size Priorities Table.

Camden Local Plan 2017 Table 1: Dwelling Size Priorities

	1-bedroom (or studio)	2-bedroom	3-bedroom	4-bedroom (or more)
Social-affordable rented	lower	high	high	medium
Intermediate affordable	high	medium	lower	lower
Market	lower	high	high	lower

- 9.2 The proposed unit mix across the application site is as follows:

Unit size	Existing	Proposed
One-bed/studio units	0	0
Two-bed units	0	0
Three-bed units	0	12
Four-bed or more units	1	0
Total	1	12

- 9.3 The Local Plan's highest priority for market housing is for two-bed and three-bed homes. The proposed mix at the application site would be entirely 3 bedroom family homes which are a high priority and are welcome.
- 9.4 No smaller homes are included at the application site. Officers suggested the inclusion of some smaller apartments within the development, but the suggestion was declined by the applicant. Nevertheless, the scheme addresses a demand for larger market homes in the borough. It is also of note that the Council's most recent Authority Monitoring Report showed that 3-bedroom homes accounted for only 17% of completed homes in 2015/16, 10% of completed homes in 2016/17 and 20% of completed homes in 2017/18, while 4-bedroom homes accounted for only 5%, 2% and 4% respectively. Consequently, the application site would augment the relatively modest supply of large new homes in recent years.
- 9.5 The absence of smaller homes proposed at the application site is also mitigated by the inclusion of a range of small and large homes amongst the social affordable rented housing proposed at Canfield Place, which will provide a mix of 5 x 3-bed and 3 x 2-bed dwellings (which are both high priorities for this tenure in the Dwelling Size Priorities table). This development has already been deemed to provide acceptable accommodation for future occupiers under its own separate permission which was granted. It would be considered acceptable for off-site affordable housing.
- 9.6 The proposed units for this current application all exceed the Nationally Described Space Standards and would provide an appropriate standard of accommodation for future occupiers. All bedrooms would be double bedrooms with a floor area of more than 11.5sqm. All proposed homes would be dual aspect units and would provide adequate levels of light and outlook.
- 9.7 All residential homes at the application site are designed as wheelchair adaptable dwellings meeting the requirements of Building Regulations Part M4(3). This exceeds the 10% requirement (one home) under Local Plan Policy H6, which then requires the rest to be M4(2) compliant (adaptable housing). Compliance would be secured by condition (condition 24). The homes granted at Canfield Place would be accessible and adaptable dwellings in accordance with Building Regulations Part M4(2) which is secured by a condition of the existing planning consent.
- 9.8 Taking account of all the above factors, and having regard to the off-site affordable housing proposed at Canfield Place, the development is considered to provide high quality homes that meet the dwelling size priorities of Local Plan Policy H7, the space and accessibility requirements of Policy H6, and the expectations of Policy A1 in relation to daylight and outlook.

10 Design and Conservation

- 10.1 The Council's design policies are aimed at achieving the highest standard of design in all developments, including where alterations and extensions are proposed. Policy D1 of the Local Plan requires development to be of the highest

architectural and urban design quality, which improves the function, appearance and character of the area. Policy D2 states that the Council will preserve, and where appropriate, enhance Camden's rich and diverse heritage assets and their settings, including conservation areas and listed buildings. Camden's Local Plan is supported by CPG (Design) and the Elsworth Conservation Area Statement.

- 10.2 In considering development that affects a conservation area, Section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 requires local planning authorities, to pay special attention to the desirability of preserving or enhancing the character or appearance of that area.
- 10.3 The site is not in the setting of any listed buildings or registered parks. The existing dwelling is in the Elsworth Conservation area which is largely suburban in character with spacious leafy streets and generous plots sizes. Avenue Road falls into sub area 1 and is a main thoroughfare, leading northwards from Regents Park. Building began on the street during the 1840s and the street was mostly complete by 1870. Many of the original buildings have been demolished and reconstructed. Plots have been amalgamated to create extensive villas in larger grounds and large mansion blocks and apartment blocks are common on the road, but outside of the conservation area. New buildings are generally two to three storeys in a Neo-Georgian in style with stucco and red or dark bricks.
- 10.4 Avenue Road is characterised by its avenue of large Plane trees with large villas on either side of the road. This road is also notable for its variety of building heights, classical styles and materials along its frontage. The prevailing height is two to three storeys and a pattern of 'horizontally' proportioned buildings on wide plots with well-defined boundaries to the street.
- 10.5 The existing building is significantly set back from the Avenue Road frontage towards the rear of the site and is accessed from Elsworth Road, set in generous grounds and behind trees. The house is two storeys with a projection to the rear, it is faced in painted render with a pantiled roof. The building has been derelict for some time and is in a state of dilapidation and disrepair. The building replaced two villas, originally constructed in the 1840s. The current building detracts from the character and appearance of the conservation area.
- 10.6 As outlined above, the conservation statement states that the existing building detracts from the conservation area. This statement encourages the redevelopment of these buildings which have a negative impact on the special character and appearance of the conservation area. It goes on to state:

"..new development within the Conservation Area should show special consideration to the elevational treatment, scale, bulk and massing of buildings and where possible respect the traditional forms and rooflines of the Conservation Area. Future additions and development must take care not to break away or detract from the traditional alignment and elevation of the existing building typology and form."

New development should reflect and reinforce the original rhythm and density of development of the streetscape. Subdivision of existing plots will be discouraged where it interrupts the rhythm and form of development of both buildings and boundary treatments or results in the loss of features that contribute to the character of the area. Where original plots have been amalgamated to create larger units the Council will look favourably on proposals to reinstate the historical layout of the plots which restore the original rhythm and character.”

Layout

- 10.8 The proposed layout seeks to re-establish the building line and frontage on Avenue Road in a similar way to that of two villas which previously occupied the site prior to the existing building and revisions were sought to bring the front building line back to match the other properties along Avenue Road. The layout generally conforms to the historic street pattern in terms of historic character, and relates to the general streetscape from a design perspective.
- 10.9 The two frontage buildings on Avenue Road form part of two terraces of town houses which extend through the length of the site, terminated by a pavilion building sited perpendicular to the terraces. The arrangement of buildings serves to optimise development on the site whilst preserving its ‘green’ character. Primary access is from Avenue Road with secondary pedestrian access from Elsworthy Road. The two frontage blocks read as two large neo-classical residential buildings, going some way to reinstate the previous two villa plot, enhancing the character of this part of the conservation area.

Massing

- 10.10 The proposed three storey height of each of the buildings fits comfortably within the prevailing scale of buildings within the locality and the massing respects the character of the area. The overall mass of the pavilion building is broken down to form two wings with a setback central portion arranged symmetrically to the two terraces of town houses. Along with the disaggregated form of the pavilion, its curved mansard roof form distinguishes it from the two terraces with its ‘softer’ form providing a transition to the adjacent Sub Area of the Conservation Area characterised by buildings in an Arts and Craft style of architecture.



Image 5: Elevation along Elsworthy Rd

Design

10.11 The proposed buildings have a neo-classical style and demonstrate the dominant architectural features of Avenue Road including stucco finishes, cornices, pediments and rustication. The rhythm, scale and proportions conform and support existing character. The proposed architectural details have been carefully composed in response to the distinctiveness of the prevailing character of the local sub-area, particularly the group of Italianate style villas Nos 42-48 further south of the site. Whilst the blocks are arranged as terraced homes, the elevations have been composed to read as large single neo-classical buildings when viewed from both street frontages, consistent with the prevailing pattern of development on the road.

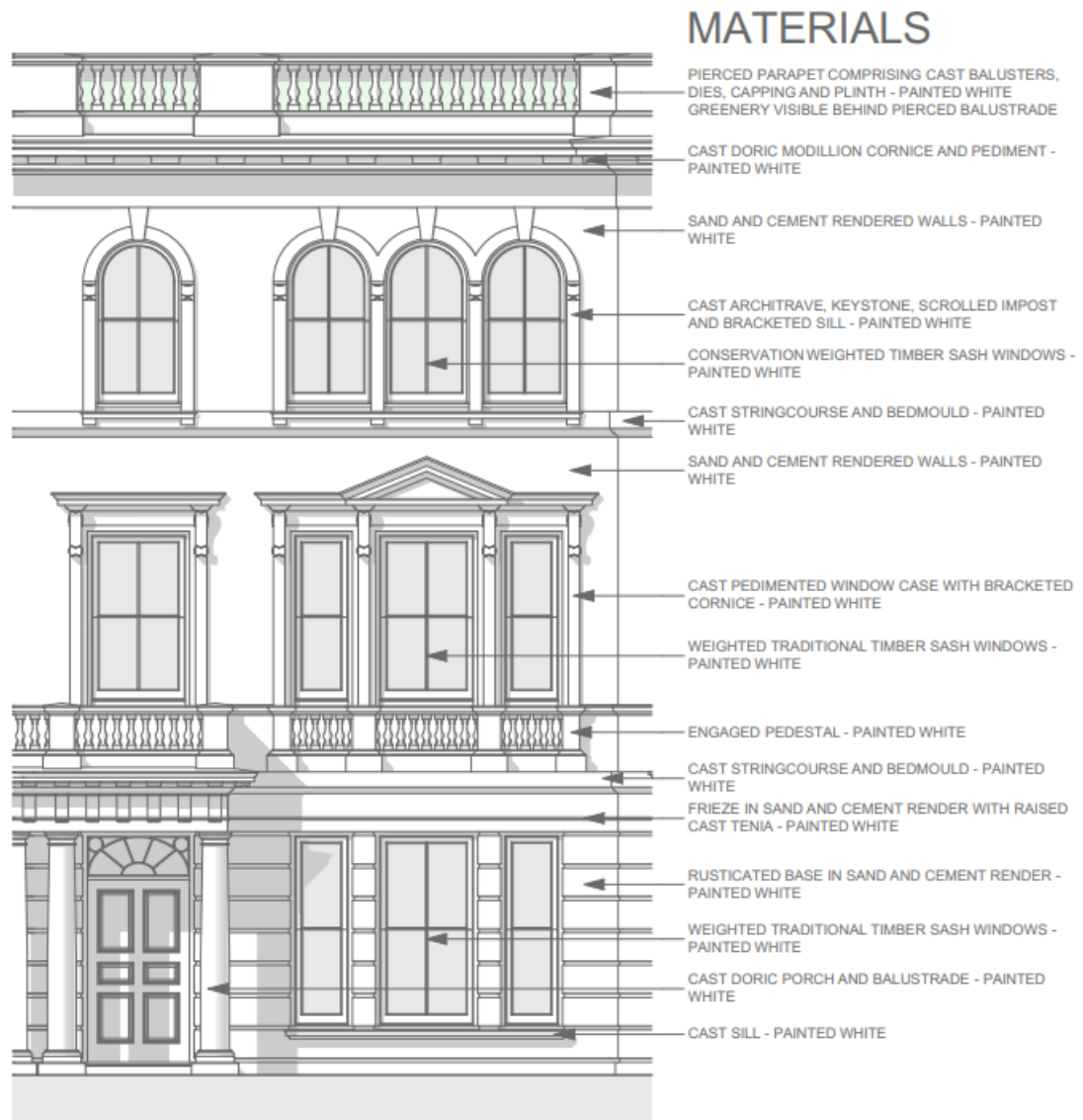


Image 6: Façade of townhouse

10.12 The existing boundary wall on Elsworthy Road is entirely covered by mature vegetation whereas it is largely exposed on the Avenue Road elevation. The existing walls are to be retained with the inclusion of a second gate on Avenue Road to provide a carriage driveway for servicing the site and replacement of the vehicle gate and railings on Elsworthy Road with a modest pedestrian gate.

The existing gate on Avenue Road will be replaced. Along both boundaries there will be high planting behind the walls. The appearance on Elsworthy Road will be similar to that found across the road at No.56 Avenue Road, as in the image below. It considered that the boundary alterations and planting would not appear out of character in this location and would be acceptable subject to detailed landscaping plans specifying species (conditions 15 and 16).



Image 7: Ivy and planting at No.56 Avenue Road's boundary

10.13 The materials and palette are also consistent with the conservation area and the existing building on site, with use of white stucco render and timber doors and windows in a traditional style. A condition is recommended requiring detailed drawings or samples where required of all windows, doors, gates, facing materials, railings, balustrades and decorative features to be submitted to ensure quality of the final build (condition 3).

10.14 Overall the proposed development respects the guidance within the conservation area statement and enhances this part of the conservation area through reinstating the appearance of two plots and respecting the prevailing massing, design and character of the conservation area and general streetscape.

11 Safety and security

11.1 Camden Local Plan Policy C5 (safety and security) and the Design CPG are relevant with regards to secure by design. A Crime Impact Statement has been submitted.

- 11.2 As the site has been derelict for a long period of time, it is acknowledged that the site has been subject to ASB. The letters of support highlight that bringing this derelict site back into use, will help mitigate these security concerns by introducing a visible presence in the form of residential dwellings providing both passive and active surveillance to the area. The Designing Out Crime Officer was consulted and they advised a condition requiring the applicant to demonstrate that the plans can achieve secured by design accreditation (condition 17)

12 Waste

- 12.1 There is a refuse and recycling store located at the rear of the site. The proposed pedestrian gate off Elsworthy Road will be used to access the bin store, which will consist of one refuse and recycling store, which will be in the north-east part of the site. The walk route between the bin store and gate is step-free and easy and concierge will help to drag the bins to the gate for collection. Concerns were raised about the bins being left out on the highway beyond collection day, the Highways Act prevents this. Condition 23 is attached to ensure that the bin stores are installed prior to occupation of the units.

13 Impact on Neighbouring Residential Amenity

- 13.1 Policies A1 and A4 of the Local Plan seek to protect the amenity of Camden's residents by ensuring the impact of development is fully considered and would not harm the amenity of neighbouring residents. This includes privacy, outlook, noise, daylight and sunlight.

Light

- 13.2 A daylight and sunlight report has been provided, it examines the two closest properties at 57 Elsworthy Road and No.50 Avenue Road. Detailed daylight and sunlight assessments have been carried out to the surrounding residential windows. Daylight has been assessed in terms of Vertical Sky Component (VSC). The VSC is calculated at the centre point of each affected window on the outside face of the wall in question. A window looking into an empty field will achieve a maximum value of 40%. BRE guidelines suggest that 27% VSC is a good level of daylight. If a window does not achieve 27% VSC as a result of the development, then it is assessed whether the reduction in value would be greater than 20% of the existing VSC – which is when the reduction in light would become noticeable to occupants. Retained VSCs lower than the BRE target of 27% are normal for urban areas, with VSC levels of around 15-18% still considered acceptable in many of these urban contexts.
- 13.3 All habitable rooms within these two properties comply with BRE guidance with the exception of windows serving No.50 Avenue's Road's second floor side dormer windows. These fail the VSC reduction targets of 0.8 of their former value, but would still comply with APSH (Annual Probable Sunlight Hours). APSH means the total number of hours in the year that the sun is expected to shine on unobstructed ground, allowing for average levels of cloudiness for the location in question.

- 13.4 The two windows would reduce from 39.6% VSC to 21.24% VSC, and 39.49% VSC to 19.74%VSC respectively. However, it should be noted that these bedrooms are both also served by other windows and bedrooms are considered less important in terms of need for daylight in the BRE guidance. Furthermore, the windows look out over the neighbouring site where there would have originally been large villas, taking advantage of the current uncharacteristic and open nature of the plot at 52-54 to obtain an unusually high VSC value. In addition 50 Avenue Road is a large single family dwellinghouse with only two rooms affected.
- 13.5 The impact on light for these 2 windows of No.50 may be noticeable, but given the above it would not cause an unreasonable detrimental impact on the living conditions of the dwelling as a whole.

Privacy/Outlook

- 13.6 The closest properties are No.57 Elsworthy Road to the rear of the site, which dwellings 5-8 would face onto, and No.50 Avenue Road, which dwellings 9-12 would face onto. No.57 Elsworthy Road has one small side secondary window at 2nd floor, however plans from a rental property advert show that this is a false window so there will be no loss of privacy. The ground floor kitchen window of this property is already screened by the existing brick boundary wall.
- 13.7 At No.50 Avenue Road, the ground window is already screened by the existing boundary and the 1st floor window is obscurely glazed and both windows serve washrooms. The 2nd floor windows in the side dormers are secondary windows that serve bedrooms. At 2nd floor the proposed residential block would be located 6.1m away from No.50 Avenue Road, however the gap between the two properties would be significantly larger than that between other neighbouring properties along this part of Avenue Road and within the context of the street and the prevailing pattern of development, the separation distance it would be acceptable.
- 13.8 In addition, while the windows currently look over a largely empty site with the dwelling at 52-54 pushed uncharacteristically to the back of the site, the two windows would have looked towards the side elevation of the two original villas if they were still standing. Maintaining a large separation distance would seriously limit the development potential of the site, preventing development across 50% of the plot and creating a hole in the streetscape and undermining the historical character of the area. However to ensure privacy for these two windows is protected a condition (condition 18) is attached securing details of privacy measures for the 2nd floor rear (South East) windows of Units 11 and 12 of the development to be installed prior to occupation and retained permanently.
- 13.9 All dwellings will have individual roof terraces which are proposed to be landscaped. Details of roof terraces screening will also be secured by condition (condition 3)
- 13.10 Given the above the development is considered acceptable in terms of outlook and privacy.

Noise

- 13.11 The proposal would involve the installation of plant equipment, notably ground source heat pumps, lift plant within the units and plant for the swimming pool. All plant would be internal at lower ground and basement level. These would be housed in their own plant rooms and would not be in close proximity to any neighbouring residential properties outside of the site. No habitable rooms such as bedrooms within the development are proposed at these levels either.
- 13.12 A noise report has been submitted in support of the application. The Council's Environmental Health officer has reviewed the information and considers it to be acceptable, subject to conditions 20, 21 and 22 which secure compliance with Camden's noise limits, the use of anti-vibration measures and to ensure that that future residents are not exposed to harmful levels of external noise.
- 13.13 It is considered that given the footprint of the individual roof terraces and as they would be used by a single household it would be unlikely that their use would cause harmful noise and disturbance to the neighbouring residential properties.

11 Basement Development and Flood Risk

Basement

- 11.1 Policy A5 states that the Council will only permit basement development where it is demonstrated to its satisfaction that the proposal would not cause harm to:
- Neighbouring properties;
 - The structural, ground, or water conditions of the area;
 - The character and amenity of the area;
 - The architectural character of the building; and
 - The significance of heritage assets.
- 11.2 In determining proposals for basement and other underground development, the Council requires an assessment of the scheme's impact on drainage, flooding, groundwater conditions and structural stability in the form of a Basement Impact Assessment (BIA), and where appropriate, a Basement Construction Plan.
- 11.3 The Council requires applicants to demonstrate that proposals for basements:
- Do not harm neighbouring properties, including requiring the provision of a Basement Impact Assessment which shows that the scheme poses a risk of damage to neighbouring properties no higher than Burland Scale 1 'very slight';
 - Avoid adversely affecting drainage and run-off or causing other damage to the water environment;
 - Avoid cumulative impacts;
 - Do not harm the amenity of neighbours;
 - Provide satisfactory landscaping, including adequate soil depth;
 - Do not harm the appearance or setting of the property or the established character of the surrounding area;
 - Protect important archaeological remains; and
 - Do not prejudice the ability of the garden to support trees where they are part of the character of the area.

- 11.4 The Council requires evidence of the impact of basement schemes in the form of a Basement Impact Assessment to be carried out by appropriately qualified professionals. Basement Impact Assessments must include geotechnical, structural engineering, and hydrological investigations and modelling to ensure that basement developments do not harm the built and natural environment or local amenity. Basement Impact Assessments must be prepared according to the specifications set out in our supplementary planning document Camden Planning Guidance on basements and the Camden Geological, Hydrogeological and Geological Study (ARUP 2010).
- 11.5 The proposal includes excavation of a lower ground floor and basement underneath the site across all three blocks (see image xx showing proposed section BB). The maximum basement depth will be 9.5m and the basement perimeter is proposed to be retained by a contiguous reinforced concrete piled wall. The communal plant and swimming pool area will be accessed via two entrances at ground floor level. Within the individual dwellings themselves their lower ground floor non-habitable rooms will be served by discrete flush lightwells. Final details of their screening by landscaping will be secured by condition 15.

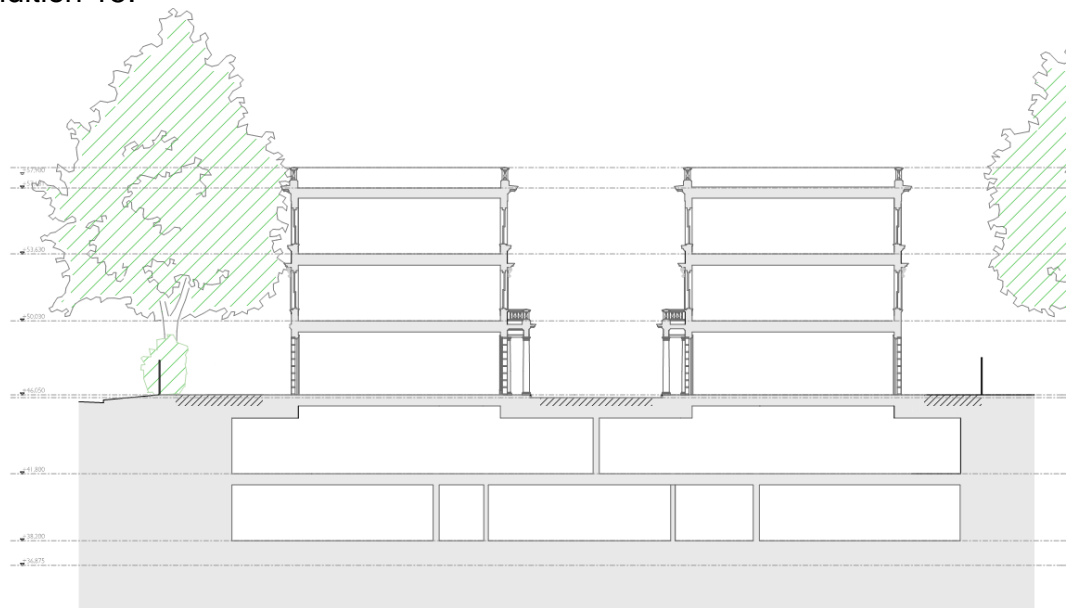


Image 8: Proposed section BB

- 11.6 Normally guidance would resist a double height basement, however CPG basements state that large comprehensively planned sites such as new major developments of 10+ additional dwellings allow for exceptions to this. In addition, the proposal includes a swimming pool where additional depth is required.
- 11.7 A Basement Impact Assessment Report was submitted with the application prepared by A-Squared Studio dated May 2022. Following feedback an updated BIA dated October 2022 was received. In accordance with policy A5 of the Camden Local Plan, the BIA was audited by Campbell Reith, a firm of

independent, professionally qualified auditors of BIAs, acting on behalf of The Council. Their final audit report concluded the following:

- 11.8 The qualifications of the individuals involved in the production of the BIA are not fully in accordance with CPG guidance, however full details of experience in hydrogeological assessments have been provided which is acceptable.
- 11.9 A site investigation was undertaken indicating that the basement will be constructed within the London Clay Formation. The London Clay does not support significant groundwater flows and it is accepted there will be no adverse impacts to the local or wider hydrogeology. A Flood Risk Assessment and SuDs Strategy report demonstrates that there will be no adverse impacts to the hydrological environment. 17 trees are proposed to be removed. The revised submission includes a qualitative assessment to confirm that neighbouring foundations will not be impacted by tree removal.
- 11.10 The Ground Movement Assessment (GMA) indicates that the development will not exceed Burland Category 1 "Very Slight" damage for the neighbouring building which is in accordance with CPG Basements.
- 11.11 The BIA notes that the design of the basement and substructure are currently ongoing. As the design of the temporary and permanent works will have a significant influence on impacts to stability, therefore a Basement Construction Plan (BCP) will be secured by a S106 legal agreement to confirm the detailed design and impacts to surrounding structures and infrastructure.
- 11.12 Campbell Reith conclude that the development will have no impact upon the hydrogeological conditions or the slope stability of the site. The BIA reports have been reviewed by a professional with suitable qualifications in accordance with CPG and Policy A5. The development shall not commence until such time as a suitably qualified chartered engineer with membership of the appropriate professional body has been appointed to inspect, check for compliance with the design (as approved by planning and building control body) and monitor the critical elements of both permanent and temporary basement construction works throughout their duration. This is secured by condition 12. A construction management plan and BCP is to be secured through a Section 106 legal agreement to ensure the development is constructed in a way which minimises the impact to neighbouring residents.

Flood Risk

- 11.13 Policy CC3 is relevant with regards to flood risk and drainage. The site is located within Flood Zone 1 which is low risk from flooding from rivers and the sea. However, it is noted that the site is located on a Road that has previously flooded in 2002 and 2021.
- 11.14 A Flood Risk Assessment and SuDs Strategy report have been submitted as part of this application.
- 11.15 Concerns were raised about having a vulnerable bedroom at lower ground floor across all the dwellings, this was removed and replaced with a study. It is

advised that bedrooms are not created at lower ground floor basement. However, condition 9 would be attached in any event securing details of flood mitigation measures and exceedance flow modelling. The internal arrangement of the dwellings allow routes of escape and refuge within the same residential unit, lowering the risk to occupiers. A condition securing green roof details is also attached to assist with attenuation (condition 10).

- 11.16 The applicant also proposes porous paving and green infrastructure which is welcomed and should be maintained in line with the manufactures specifications. Given the above, the proposals are considered acceptable in terms of flood risk. Thames Water has been consulted and has no objections subject to the attached condition 8 for details on how the developer intends to divert the asset / align the development, to prevent the potential for damage to subsurface potable water infrastructure and an informative about the minimum water pressure to be provided by Thames Water.
- 11.17 In terms of the basement it is accepted that the development will not impact on the wider hydrology of the area, subject to the conditions, mitigation measures, and further information to be provided. It is accepted that the development will have no harmful impact upon the hydrogeological conditions or the slope stability of the site and so comply with the requirements of the development plan.

12 Air Quality Assessment

- 12.1 The site is in an area of poor air quality and the scheme is residential and will introduce new receptors. Policy CC4 of the Camden Local Plan therefore requires a detailed Air Quality Assessment (AQA) including dispersion modelling. All developments are expected to meet the Mayor's Air Quality Neutral requirements. The applicant has submitted an AQA which reviews the existing air quality conditions in the vicinity of the proposed development site, and the likely air quality impacts resulting from the proposed development.
- 12.2 The proposals are car-free, and the on-site parking originally proposed was removed during the course of the application process. The proposals are for non-combustion heating using Ground Source Heat Pumps (GSHP) which is welcomed. As there are no combustion for heating and no transport emissions the proposals can be considered air quality neutral which meets the requirements.
- 12.3 The AQA indicated that there were potential breaches in the air quality objective with some facades on the development in the West Block experiencing NO₂ of 48.74µg/m³ which significantly exceeds the national objective level of 40µg/m³. The report recommended mechanical ventilation with a NO_x filter installed. However recently released LAEI (London Atmospheric Emissions Inventory) mapping for 2019 (Image 9) indicates that the air quality at the site has improved and is now within the national objective levels. Filtration can be energy intensive and therefore as it is not necessary in this instance as air quality has improved. In order to prevent excessive energy consumption through NO_x filtration, condition 6 is attached to ensure it is not installed.

Condition 6 will also secure details of the location of air inlets to the buildings. The air inlets for any mechanical ventilation should be located away from busy roads, exhausts from kitchens or any other emission sources and as close to roof level as possible to protect internal air quality.

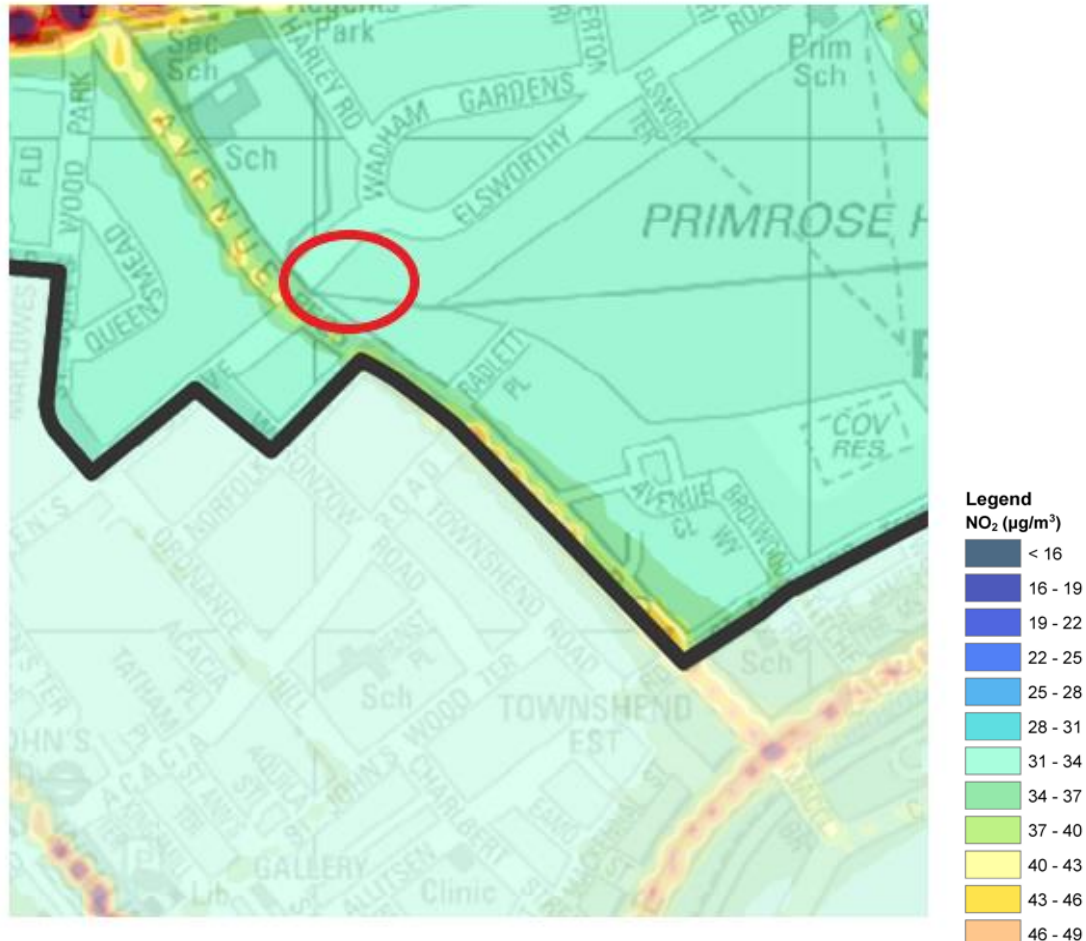


Image 9: LAEI map from 2019 showing AQ has improved to be within national objective levels

- 12.4 The proposed development is High Risk for demolition and construction dust. Suitable mitigation has been recommended. The mitigation measures to control construction-related air quality impacts would be secured within the Construction Management Plan as per the standard Construction Management Plan (CMP) Pro-Forma. The applicant will be required to complete the checklist and demonstrate that all mitigation measures relevant to the level of identified risk are being included. A condition is recommended for air quality monitoring during development works (condition 4) and to ensure that Non Road-Mobile Machinery (NRMM) used on the site complies with the relevant air quality criteria (condition 27).
- 12.5 The proposal is therefore considered to be acceptable subject to conditions and carefully managed construction management, which is secured by section 106 legal agreement.

13 Sustainability and Energy

- 13.1 Pursuant to London Plan policies and Local Plan policies CC1 and CC2, all developments in Camden are required to make the fullest contribution to the mitigation of and adaptation to climate change, to minimise carbon dioxide emissions and contribute to water conservation and sustainable drainage systems.
- 13.2 As this is a major application, an Energy Statement was submitted by the Applicant. This was assessed by the Council's Sustainability Officer.
- 13.3 Ground source heat pumps are proposed, and a viability note was provided which shows that the site can accommodate these lower heating systems. The energy statement outlines that an exact specification has not yet been decided and therefore details of this and their installation will be conditioned (condition 5). A heating only model should be selected as cooling for a new build would not be supported by the Council due to the additional energy demand (Be Lean stage of the energy hierarchy). The applicant has acknowledged that cooling would not be required.
- 13.4 Normally on this scale of development solar panels (PVs) would be encouraged, however given that the townhouses will all have individual roof terraces it is acknowledged that PV panels can't be incorporated in this instance.
- 13.5 A Whole Life Carbon (WLC) assessment was submitted as the proposal includes substantial demolition. The assessment deals with the whole lifecycle of the development and the carbon sits between the GLA's WLC benchmarks and aspirational benchmarks with the exception of the Use Stage (maintenance and repair for example) and End of Life stage, which are above the benchmarks.
- 13.6 However, these parts of the lifecycle have an acceptable carbon footprint when taking into account sequestered carbon (that is, carbon that is captured and stored in the building, for example through use of lime or sustainable timber). The GLA benchmarks do not include sequestered carbon for these parts of the lifecycle, and so the energy strategy secured by the s106 will also require the reporting of the post construction stage results and make further reductions to target the GLA WLC benchmarks for each of the modules in the lifecycle as defined in the GLA Whole Life Carbon Assessment guidance. This is to help maximise the development's on-site carbon dioxide savings.
- 13.7 The development plan expects zero carbon for major development (ten or more units) in regulated carbon emissions, with at least 35% overall reductions beyond Building Regulations to be achieved on site. The targets also include a 10% reduction at the be lean stage (efficiency) under the London Plan, and a 20% reduction at the be green stage (renewables) under the Local Plan.
- The site gives a 74.3% CO₂ on-site reduction beyond building regulations significantly exceeding the 35% policy requirements.
 - Overall, the site achieves a 11.2% reduction at the be lean stage (target 10%), and a 71.1% reduction at the be green stage (target 20%). Overall,

the proposal exceeds many of the sustainability targets and an offset payment will bring the development to zero carbon in line with policy.

- The offset payment of £94,620 (estimated) will be secured by a s106 legal agreement, along with an Energy Strategy which will secure a range of measures including those set out above.

- 13.8 As well as energy use, the development plan requires other resource efficiency like water consumption. The water fixtures and fittings should deliver no more than 105 litres/person/day per home, and this requirement is secured by condition 25.

14 Transport

General

- 14.1 A Transport Statement (TS) has been submitted in support of this application. The application site is located on the corner of Avenue Road and Elsworthy Road. The neighbouring area is predominantly residential. The site has a PTAL rating of 4, which is a good level of public transport accessibility. The closest bus stops are located 450m and 583m away and Swiss Cottage tube station is 750m away. It is a sustainable location for additional housing.
- 14.2 The site is in Controlled Parking Zone (CPZ) CA-B Belsize, for which the Controlled Hours are Monday to Friday – 09:00-18:30, Saturday – 09:30-13:30, and Sunday – No controlled hours. Near the site, the predominant parking restriction is single yellow lines.

Cycle Parking

- 14.3 In order to promote sustainable modes of travel, two bike stores will be provided at the front and rear of the site to provide 26 cycle parking spaces filling the need for 24 long stay and 2 short stay spaces. These numbers accord with the requirements of London Plan. CPG Transport states that at least 5% of the total number of cycle parking facilities are allocated for non-standard cycles. Therefore one space should be provided and a condition (condition 19) is attached securing details of this and installation of the cycle parking prior to occupation.

Car Parking

- 14.4 The proposal will result in the creation of 12 new townhouses. All 12 new dwellings will need to be car-free in accordance with Policy T2 of the Local Plan. This planning obligation would be secured via a legal agreement. All existing car parking spaces within the site will be removed and replaced by a landscaping scheme. No parking is proposed on site.
- 14.5 Originally there were two disabled car parking spaces proposed, accessed via the carriage driveway fronting Avenue Road. These were removed after officers raised concerns about their use.
- 14.6 The London Plan requires 3% of units to be provided with disabled persons parking spaces. This rounds down to zero in this case (0.36 units) so no on-site spaces for disabled persons are considered appropriate in this instance. In the

event of Blue Badge holders residing at the site in the future, there is adequate opportunity to provide disabled parking spaces in the surrounding streets with step-free access via the Elsworthy Road entrance, with spaces available for designation just outside the site in Elsworthy Road.

Servicing and Refuse/Recycling Collections

- 14.7 Such activity would take place from the carriage driveway fronting Avenue Road. With the availability of on-site servicing, the impact on the highway would be very limited as long as adequate servicing management is in place and adhered to. A servicing management plan would be secured by a S106 legal agreement.

Construction Management

- 14.8 The proposal will generate a significant volume of construction traffic on a day-to-day basis. The Council needs to ensure that the development can be implemented without being detrimental to amenity or the safe and efficient operation of the highway network in the local area. The site is highly accessible with access available off two wide roads. A draft construction management plan (CMP) has been provided but a more detailed plan would be needed once all contractors are appointed. A CMP, a CMP implementation support contribution of £9,455.63 and a Construction Impact Bond of £15,000 should be secured to ensure the impacts of development can be mitigated to the satisfaction of the Council. These planning obligations would be secured via a S106 legal agreement.

Highways Maintenance

- 14.9 The carriageway and footway directly adjacent to the site on Avenue Road is likely to sustain damage because of the proposed demolition, excavation and construction works required. The Council would need to undertake remedial works to repair any such damage following completion of the proposed development. This would allow the Council to repave the carriageway adjacent to the site, provide new footways along the eastern and western frontage of the building and repair any other damage to the public highway in the general vicinity of the site.
- 14.10 The former side access to the site at Elsworthy Road would be made redundant by the proposal and the vehicular crossover would need to be removed in accordance with Transport CPG clause 5.15. A highways financial contribution will be sought by Council and secured by a combined Section 106 and Section 278 agreement, where the Council's contractors will remove the redundant crossover and reinstate the pedestrian footway.
- 14.11 The highway works would be implemented by the Council's highways contractor with the costs of £23,909.19 which includes the cost of the new crossover on Avenue Road being secured by legal agreement.

15 Trees and Landscaping

- 15.1 The applicant has submitted an Arboricultural Impact Assessment which is considered to be acceptable by the Council's tree team subject to conditions

requiring details/installation of tree protection and landscaping details including replacement trees and compliance (conditions 15 and 16). Condition 10 also secures details of the proposed green roofs.

- 15.2 As part of the application, 17 trees are proposed for removal with the vast majority of these being low quality trees with low safe useful life expectancies as a result of poor arboricultural management over the years. The table below shows the majority of the trees are category C, which are smaller trees or ones considered to be of low quality. They may have a limited life expectancy or contribute very little to the amenity of the locality. Such trees should not be considered as a constraint against development and their removal will generally be acceptable. Category B trees are those of moderate quality and category A trees are those of the highest quality.

Category	Number of trees
B	7
C	10

- 15.3 The scheme also involves the removal of T12 (Silver maple), already approved for removal under s.211 notice 2022/0572/P due to its poor structural condition, irrespective of development.
- 15.4 T5 & T27 are two large, mature, cat. A London planes on Elsworthy Road frontage of the site that are LB Camden owned and managed and are off site. Both trees are highly visible from the public realm and significantly contribute to the character and appearance of the conservation area. Both trees provide a high level of amenity to the public and form part of an important landscape feature as they share some degree of uniformity with other trees of the same species, size and age along the western end of Elsworthy Road. These most valuable trees on site will not be adversely affected by the scheme. Condition 14 secures tree protection details.
- 15.5 The proposed soft landscaping includes a significant number of replacement trees and a large amount of ivy and areas of planting screens. Officers welcome the replanting of trees but would prefer they are specified with species and maturity that optimise the canopy coverage and biodiversity value, rather than just securing a high number (the applicant has offered 67 replacement trees at this stage). The Council's tree team requested that the 8 proposed replacement trees along the Avenue Road frontage (but within the site not on street) must be of a large ultimate size to respect/enhance the character of this part of the conservation area. It is considered that the "Sakura" (presumably a Japanese cherry; species and cultivar not stated) shown on the submitted drawings will not be of a large enough ultimate size to mitigate the loss of canopy over on this frontage. No new trees are shown on the submitted landscaping scheme along the Elsworthy Road frontage, and the Council would expect trees in this location as well. Given the above, and considering the quality rather than quantity of replacements is paramount, a condition would be imposed seeking revised proposals for the landscaping, including replacement trees to mitigate the loss of the trees proposed for removal (condition 15). The conditioned landscaping

scheme should focus on the qualitative and biodiversity value of replacement rather than pure numbers as too many can result in competition for canopy cover and reduced quality. It is acknowledged that the large footprint of the scheme reduces the available space for replacement planting, but it is considered that sufficient quality replacement trees and canopy cover could be secured.

- 15.6 No.50 Avenue Road raised concern about the development impacting their trees. No works are proposed within the root protection areas of T29 and T30, which are two low quality off site trees located within No.50's garden. The Council's tree team raised no concern and provided suitable tree protection measures are employed, the impact of the development on T29 and T30 will be of an acceptable level.
- 15.7 Details regarding the site's Urban Greening Factor (UGF) have been provided. The Urban Greening Factor is a tool to evaluate the quality and quantity of urban greening. It enables major developments to demonstrate how they have included urban greening as a fundamental element of site and building design. The London Plan sets out that the minimum score for residential development is 0.4 and this scheme significantly exceeds it with a score of 0.8. This is generated through the incorporation of green roofs, floor rich perennial planting, hedges and green walls.
- 15.8 It should be noted that the use of green walls on the buildings only provides a minimum contribution. Such features often fail without sufficient maintenance. If these were excluded from the calculation a high score of 0.6 could still be achieved. Accordingly, they are not considered crucial to the scheme's success. Regardless, a condition is attached to secure details of the green walls and their maintenance to mitigate the above concerns (condition 11).

16 Open Space

- 16.1 Policy A2 of the Local Plan seeks to secure planning obligations to address the additional impact of proposed schemes on public open space taking into account the scale of the proposal, the number of future occupants and the land uses involved. Although the scheme has a range of private amenity space available of occupiers, such as rear gardens and roof terraces. The residential development will lead to an increase demand for and use of public open spaces. For residential development, the Council will seek 9sqm per occupier. Where it is not feasible to deliver the full amount of public open space required, the Council will accept a financial payment in lieu of provision.
- 16.2 CPG Public Open Space states that developments exceeding 1,000sqm in floorspace will be expected to contribute towards open space and play facilities, as will schemes of 11 or more additional dwellings, so this development triggers a requirement. It also outlines that private amenity space, such as gardens and balconies, do not provide a substitute for the particular experience and opportunities for interaction provided by public open space and therefore, should not be counted towards meeting a scheme's open space contribution.

- 16.3 This private gated development while it would offer private amenity space through rear gardens, roof terraces and landscaped private communal space within the site, it would provide no public open space. It is acknowledged that public open space on this site would be challenging and there are limited options for off-site provision within a reasonable distance. No formal play-space has been provided on site, however given that the site is for large family dwellings with their own private amenity space it is considered that their private gardens could accommodate this in this instance.
- 16.4 The residential capital cost of the Open Space contribution is calculated as follows: 9 sqm x 11 (number of additional dwellings [12- 1 existing dwelling]) x 2.12 (average residential occupancy for the Primrose Hill ward) = 209.88sqm
- 16.5 Therefore, a financial contribution is required towards the provision, maintenance and improvement of open space. A financial contribution of £41,976 would be required in addition to maintenance for 10 years which would be £14,691.60. Therefore the total open space contribution is £56,667.60 to be secured by S106 legal agreement towards public open space which includes capital costs and maintenance costs for 10 years.

17 Employment and Training Opportunities

- 17.1 The proposed development would be likely to generate increased employment opportunities during the construction phase, and as such, the Council would aim to ensure that local people benefit from these opportunities by securing a package of employment and training obligations through a Section 106 legal agreement. The applicant has put forward an enhanced package of benefits covering the construction phase of the development.
- 17.2 This Employment and Skills Plan outlines that the development will provide significant numbers of construction jobs given its scale. The applicant is offering 30 apprenticeships across different skill sets and 20 full/part time jobs for local residents as a priority, as part of an enhanced employment and training package.
- 17.3 The applicant has indicated, as per their Employment and Skills Plan, an interest in working with schools to promote construction careers. This is also welcomed and can be supported by the King's Cross Construction Skills Centre and by the Camden Learning team who have good links to Camden's schools. The plan also states 13 site visits/workshops and 22 work experience places for 14+ age group across a period of one year are proposed. Officers welcome this enhanced offer. The number of Apprentices exceeds the CPG employment sites and businesses requirement for 18 places and this additional offer is welcomed.
- 17.4 In line with CPG Employment sites and business the following would be secured in a section 106 legal agreement, with the apprenticeship support fee only being limited to the policy requirement. These include:

Construction phase:

- The applicant should work to CITB benchmarks for local employment when recruiting for construction-related jobs as per section 67 of the Employment sites and business premises CPG
- The applicant should advertise all construction vacancies and work placement opportunities exclusively with the King's Cross Construction Skills Centre for a period of 1 week before marketing more widely.
- The applicant should provide construction work placement opportunities as outlined in their employment and training strategy of not less than 2 weeks each, to be undertaken over the course of the development, to be recruited through the Council's King's Cross Construction Skills Centre, as per section 70 of the Employment sites and business premises CPG
- The build costs of the scheme are estimated at £55,429,000. The applicant must recruit 1 construction apprentice paid at least London Living Wage per £3million of build costs, and pay the council a support fee of £1,700 per apprentice as per sections 63-64 of the Employment sites and business premises CPG (18 apprentices and £30,600 support fee in this instance). The legal agreement will secure the enhanced offer in terms of number or placements however. Recruitment of construction apprentices should be conducted through the Council's King's Cross Construction Skills Centre. Recruitment of non-construction apprentices should be conducted through the Council's Inclusive Economy team.
- Because the value of the scheme exceeds £1 million, the applicant must also sign up to the Camden Local Procurement Code, as per section 70 of the Employment sites and business premises CPG; and
- The applicant provide a local employment, skills and local supply plan setting out their plan for delivering the above requirements in advance of commencing on site, as per section 61 of the Employment sites and business premises CPG.

18 Planning obligations

- 18.1 The following contributions are required to mitigate the impact of the development upon the local area, including on local services. These heads of terms will mitigate any impact of the proposal on the infrastructure of the area.

Contribution	Amount (£)
CMP Implementation Support Contribution	£9,455.63
CMP Impact Bond	£15,000
Highways contribution	£23,909.19
Energy Carbon Offset	£94,620 (estimate)
Public Open Space contribution	£56,667.60
Apprentice support fee	£30,600

19 CIL

- 19.1 The proposal will be liable for the Mayor of London's Community Infrastructure Levy (CIL). The increase in floorspace for the development is 5,896sqm. The proposal would be liable for $£50 \times 5,896\text{sqm} = £294,800$
- 19.2 The proposal will be liable for the Camden Community Infrastructure Levy (CIL). The site lies in Zone C (Highgate, Hampstead) where CIL is calculated at £500 per square metre of additional GIA floorspace. The applicant will be liable for $£500 \times 5,896\text{sqm} = £2,948,000$

20 Conclusion

- 20.1 The proposed development is a well-considered scheme which presents the opportunity to make significant improvements to the local area, deliver notable environmental improvements, and provide a range of significant public benefits.
- 20.2 The proposed development is an appropriate use for the site that would benefit a number of the Council's policy objectives by contributing towards the Borough's supply of housing. In addition, the legal agreement would provide eight social affordable rent units that were originally granted planning permission for private sale at Canfield Place.
- 20.3 Although the development results in some impacts to neighbours and in particular No.50 Avenue Road, these impacts are not so detrimental as to undermine the quality of accommodation and on balance, the impact is considered acceptable.
- 20.4 It is acknowledged that the scheme does fall short in terms of housing mix as it only offers one housing typology with 3 bedroom dwellings, it does not meet the full affordable housing target and involves the demolition of an existing building. Nonetheless the overall benefits of the scheme, including the scheme's environmental sustainability and its generous construction employment package which are offered over and above policy requirements; together with its upfront offsite affordable housing offer mean that overall the scheme is acceptable on balance.
- 20.4 The proposals would result in the complete demolition of the existing dwelling on site; however, it contributes little to the street scene or townscape and detracts from the Elsworthy Conservation Area. The proposal enhances the character and appearance of the Elsworthy Conservation Area. However, if the committee considers the development to cause harm, then this must be given considerable weight and importance in the balancing exercise.
- 20.5 The National Planning Policy Framework (NPPF) (paragraph 202) states:
- "Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use."*

20.6 Public benefits may follow from many developments and could be anything that delivers economic, social, or environmental objectives, as described in the National Planning Policy Framework. Public benefits should flow from the proposed development. The proposals provide a significant number of public benefits, including environmental, social and economic benefits which are considerable and could be capable of outweighing any identified harm. The most significant of these are:

- Overall improvement to the townscape and street scene;
- Twelve new high quality homes;
- Supporting sustainable modes of transport through car free development and removing all of the existing car parking on site;
- Significantly exceeding energy and carbon reduction targets through a highly sustainable development;
- Providing urban greening at roof level and provision of higher quality replacement trees to provide biodiversity and ecology benefits;
- Reducing crime and antisocial behaviour through redevelopment and use of a long term derelict site;
- Investment in the Camden economy through local procurement during construction;
- Opportunities for local people to undertake apprenticeships and work placements through an enhanced employment and training package;
- Provision of offsite social affordable rented homes for residents at Canfield Place, replacing private sale units that already benefit from planning permission; and
- Significant contributions towards the provision of local infrastructure and facilities through CIL.

21 Recommendations

21.1 Planning Permission is recommended subject to conditions and a Section 106 Legal Agreement with the following heads of terms:

- CMP and Implementation Support Contribution
- CMP Impact Bond
- Car Free
- Highways Contribution
- Removal of the existing crossover in Elsworthy Road.
- Servicing Management Plan.
- Basement Construction Plan
- Provision of 8 social-affordable rented homes at Canfield Place and transfer to a registered provider on the Council's approved list
- Energy and sustainability Plan securing:
 - 74.3% CO₂ on-site reduction beyond building regulations
 - a 11.2% reduction at the be lean stage
 - a 71.1% reduction at the be green stage
 - Reduction in the B-C modules for the WLC assessment
 - Post construction WLC assessment

- Carbon off-set payment to zero carbon
- Enhanced Local Employment and Training package
- Public Open Space contribution

22 Legal Comments

22.1 Members are referred to the note from the Legal Division at the start of the Agenda.

23 Conditions and Informatives

1	<p>This development must be begun not later than three years from the date of this permission.</p> <p>Reason: In order to comply with the provisions of Section 91 of the Town and Country Planning Act 1990 (as amended).</p>
2	<p>The development hereby permitted shall be carried out in accordance with the following approved plans:</p> <p>Existing: 208-250A; 208-251A; 208-275; TS12-157J/1; TS06-102n\2; TS06-102n\3</p> <p>Proposed:</p> <p>208-252G; 208-253E; 208-254E; 208-255G; 208-256C; 208-257B; 208-258B; 208-259; 208-260; 208-261D; 208-270; 208-271B; 208-272D; 208-273D; 208-274D; 208-276; 208-277A; 208-278; 208-290C; 208-291C; 208-320D; 208-321D; 208-322C; 208-323C; 208-324C; 208-325C; 208-326C; 208-327C; 208-328C; 208-329C; 208-330C; 208-331C; 208-400; 208-401; 208-402;</p> <p>Supporting Documents: Basement Impact Assessment Rev.06 by A-squared Studio dated 6/10/2022; Ground Movement Assessment Rev.04 by A-squared Studio dated 9/5/2022; Financial Viability Assessment by JLL dated May 2022; Stage 1 Road Safety Audit by Highway Associates dated 25/10/21; Structural Method Statement by Heyne Tillett Steel dated 10.5.22; Flood Risk Assessment & SuDS Strategy Report Rev P01 by Heyne Tillett Steel dated May 2022; SKC101 Rev.P2 by Heyne Tillett Steel dated 7/10/22; SKC100 Rev.P2 by Heyne Tillett Steel dated 6/10/22; Whole Life Cycle Carbon Emissions Assessment V4 by Hodgkinson dated Oct 2022; Ground Source Viability Note by Integration dated 31.8.22; Heritage Appraisal by the Heritage Practice dated April 2022; Arboricultural impact assessment by Landmark Trees dated 6/5/22; Fire Strategy report Rev.04 by Atelier ten dated 10/5/22; Sunlight & Daylight Assessment by Aval Consulting Group dated 20/7/22; Employment and Skills Plan by Aval Consulting Group dated May 2022; Waste and Recycling Strategy by Aval Consulting Group dated April 2022; Construction Management Plan by Aval Consulting Group dated 26th April 2022; Transport Statement by Aval Consulting Group dated April 2022; Letter from Aval Consulting Group dated 26th July 2022; Air Quality</p>

	<p>Desktop Assessment by Aval Consulting Group dated April 2022; Air Quality Assessment by Aval Consulting Group dated August 2022; Noise Impact Assessment by Aval Consulting Group dated April 2022; Energy Strategy by Aval Consulting Group dated July 2022; Design and Access Statement by DOMVS dated April 2022.</p> <p>Reason: For the avoidance of doubt and in the interest of proper planning.</p>
3	<p>Detailed drawings / samples</p> <p>Notwithstanding the details shown on the approved plans, prior to commencement of the development (other than demolition and site clearance) detailed drawings, or samples of materials as appropriate, in respect of the following, shall be submitted to and approved in writing by the local planning authority before the relevant part of the work is begun:</p> <ul style="list-style-type: none"> a) Plan, elevation and section drawings, including jambs, head and cill, of all new external windows and doors at a scale of 1:10 with typical glazing bar details at 1:1; b) Manufacturer's specification details of all facing materials (to be submitted to the Local Planning Authority) and samples of those materials (to be provided on site). Samples of materials to be provided at a suitable size (eg. 1x1m) and alongside all neighbouring materials; c) Typical details of new boundary walls, gates, railings and balustrades, lightwells at a scale of 1:10 with finials at 1:1, including method of fixing; and d) Details of all planting and screening between roof level amenity spaces, in order to ensure they would appropriately protect residential amenity of future and neighbouring occupiers. <p>The relevant part of the works shall be carried out in accordance with the details thus approved and all approved samples shall be retained on site during the course of the works.</p> <p>Reason: To safeguard the appearance of the premises and the character of the immediate area and protect the amenity of future/neighbouring occupiers in accordance with the requirements of policies A1, D1 and D2 of the Camden Local Plan 2017.</p>
4	<p>Air quality monitoring (demolition and construction)</p> <p>No development or demolition shall take place until:</p> <ul style="list-style-type: none"> a. prior to installing monitors, full details of the air quality monitors have been submitted to and approved by the local planning authority in writing. Such details shall include the location, number and specification of the monitors; and b. prior to commencement, evidence has been submitted demonstrating that the monitors have been in place for at least 3 months prior to the proposed implementation date and installed in line with guidance outlined in the GLA's

	<p>Control of Dust and Emissions during Construction and Demolition Supplementary Planning Guidance.</p> <p>The monitors shall be retained and maintained on site for the duration of the development in accordance with the details thus approved.</p> <p>Reason: To safeguard the amenity of adjoining premises and the area generally in accordance with the requirements of policies A1 and CC4 of the London Borough of Camden Local Plan Policies.</p>
5	<p>GSHP</p> <p>Prior to commencement of development (other than demolition and site clearance), the following ground source heat pump details shall be submitted to and approved by the Local Planning Authority in writing:</p> <ul style="list-style-type: none"> a) details of their specification. The ground source heat pumps shall be used for the purposes of heating only. b) drawings and data sheets showing the location, extent and predicted supply from the ground source heat pump to be installed. The measures shall include the installation of a meter to monitor the energy output from the approved renewable energy systems. A site-specific lifetime maintenance schedule for each system, shall be provided. <p>The system shall be installed in full accordance with the details approved by the Local Planning Authority prior to occupation and permanently retained and maintained thereafter.</p> <p>Reason: To ensure the development provides adequate on-site renewable energy facilities and to ensure the proposal is energy efficient and sustainable, in accordance with the requirements of policy CC1 and CC2 of the London Borough of Camden Local Plan 2017.</p>
6	<p>Mechanical Ventilation</p> <p>Prior to commencement of development (other than demolition and site clearance), full details of the mechanical ventilation system including air inlet locations shall be submitted to and approved by the local planning authority in writing. Air inlet locations should be located away from busy roads and any other emission sources and as close to roof level as possible, to protect internal air quality. The development shall thereafter be constructed and maintained in accordance with the approved details.</p> <p>Mechanical ventilation should not include NOx filters.</p> <p>Reason: To protect the amenity of residents and to ensure the proposal is energy efficient and sustainable in accordance with London Borough of Camden Local Plan Policies CC1 and CC4 and London Plan policy SI 1.</p>

7	<p>Construction and Demolition Waste</p> <p>Prior to commencement of development, a resource management plan shall be submitted including a pre-demolition audit and demonstrating how 95% of construction and demolition waste will be reused/recycled/recovered and 95% of excavation waste used for beneficial purposes. The plan shall be thereafter be delivered in accordance with the approved details.</p> <p>Reason: To ensure all development optimise resource efficiency in accordance with policy CC1 of the London Borough of Camden Local Plan Policies and to reduce waste and support the circular economy in accordance with policy SI 7 of the London Plan 2021.</p>
8	<p>Thames Water infrastructure</p> <p>Prior to commencement of development, full details of how the developer intends to divert the asset / align the development, to prevent the potential for damage to subsurface potable water infrastructure, must be submitted to and approved in writing by the local planning authority in consultation with Thames Water. Any construction must be undertaken in accordance with the terms of the approved information. Unrestricted access must be available at all times for the maintenance and repair of the asset during and after the construction works.</p> <p>No construction shall take place within 5m of the water main unless otherwise agreed in writing by Thames Water.</p> <p>Reason: To protect the borough's existing water infrastructure, in accordance with policy CC3 of the London Borough of Camden Local Plan.</p>
9.	<p>Flood risk</p> <p>Notwithstanding the details shown on the approved plans, prior to below ground works, full details of the following should be submitted to the Local Planning Authority and approved in writing:</p> <ul style="list-style-type: none"> a) The proposed measures to mitigate flood risk and cope with potential flooding including a suitable positive pump device to protect against sewer flooding; and b) Exceedance flow modelling, that models curb heights and site specific considerations. Lightwells should be shown on the drawing and any raised threshold around the lightwells to prevent water ingress. <p>The development shall thereafter be completed in full accordance with the approved details and mitigation measures.</p>

	<p>Reason: To protect the occupants and property in the event of a flood, and minimise and manage the risk to local flooding, in accordance with policy CC3 of the London Borough of Camden Local Plan.</p>
10	<p>Green Roof</p> <p>Prior to above ground works, full details in respect of the living roofs in the area indicated on the approved roof plan (including bin/bike stores) shall be submitted to and approved by the local planning authority. The details shall include:</p> <ul style="list-style-type: none"> i. a detailed scheme of maintenance ii. sections at a scale of 1:20 with manufacturers details demonstrating the construction and materials used iii. full details of planting species and density <p>The living roofs shall be fully provided in accordance with the approved details prior to first occupation and thereafter retained and maintained in accordance with the approved scheme.</p> <p>Reason: In order to ensure the development undertakes reasonable measures to take account of biodiversity and the water environment in accordance with policies G1, CC1, CC2, CC3, CC4, D1, D2 and A3 of the London Borough of Camden Local Plan 2017.</p>
11	<p>Green Walls</p> <p>Prior to above ground works, full details in respect of the living walls in the area indicated on the approved plans shall be submitted to and approved by the local planning authority. The details shall include:</p> <ul style="list-style-type: none"> a) a detailed scheme of maintenance b) sections at a scale of 1:20 with manufacturers details demonstrating the construction and materials used c) full details of planting species and density <p>The living walls shall be fully provided and maintained in accordance with the approved details prior to first occupation.</p> <p>Reason: In order to ensure the development undertakes reasonable measures to take account of biodiversity and the water environment in accordance with policies G1, CC1, CC2, CC3, CC4, D1, D2 and A3 of the London Borough of Camden Local Plan 2017.</p>
12	<p>Basement Engineer</p> <p>The development hereby approved shall not commence until such time as a suitably qualified chartered engineer with membership of the appropriate professional body has been appointed to inspect, approve and monitor the critical elements of both permanent and temporary basement construction works</p>

	<p>throughout their duration to ensure compliance with the design which has been checked and approved by a building control body. Details of the appointment and the appointee's responsibilities shall be submitted to and approved in writing by the local planning authority prior to the commencement of development. Any subsequent change or reappointment shall be confirmed forthwith for the duration of the construction works.</p> <p>Reason: To safeguard the appearance and structural stability of neighbouring buildings and the character of the immediate area in accordance with the requirements of policies D1, D2 and A5 of the London Borough of Camden Local Plan 2017.</p>
13	<p>Basement compliance</p> <p>The development shall not be carried out other than in strict accordance with the methodologies, recommendations and requirements of the Basement Impact Assessment dated October 2022 and other relevant documents hereby approved.</p> <p>Reason: To safeguard the appearance and structural stability of neighbouring buildings and the character of the immediate area, in accordance with the requirements of policy A5 of the London Borough of Camden Local Plan 2017.</p>
14	<p>Tree Protection</p> <p>Prior to the commencement of any works on site including demolition or site clearance, details demonstrating how trees to be retained shall be protected during construction work shall be submitted to and approved by the local planning authority in writing. Such details shall follow guidelines and standards set out in BS5837:2012 "Trees in Relation to Construction" and shall make reference to the points raised in section 8.2.8 of the Arboricultural Impact Assessment by Landmark Tree dated 6th May 2022 ref. DML/52AVR/AIA/01d.</p> <p>All trees on the site, or parts of trees growing from adjoining sites, unless shown on the permitted drawings as being removed, shall be retained and protected from damage in accordance with the approved protection details during the course of any works on site.</p> <p>Reason: To ensure that the development will not have an adverse effect on existing trees and in order to maintain the character and amenity of the area in accordance with the requirements of policies A2 and A3 of the London Borough of Camden Local Plan 2017.</p>
15	<p>Landscaping</p> <p>Notwithstanding the details shown on the approved plans, no development shall take place until full details of hard and soft landscaping have been submitted to and approved by the local planning authority in writing, including the details of all of the following:</p>

	<p>a) location, species, and maturity of all replacement trees; b) means of enclosure (vegetation and structures) of all areas including lightwell screening and site boundaries; and c) any proposed earthworks including grading, mounding and other changes in ground levels.</p> <p>The relevant part of the works shall not be carried out otherwise than in accordance with the details thus approved.</p> <p>Reason: To ensure that the development achieves a high quality of landscaping which contributes to the visual amenity and character of the area in accordance with the requirements of policies A2, A3, A5, D1 and D2 of the London Borough of Camden Local Plan 2017.</p>
16	<p>Landscaping</p> <p>All hard and soft landscaping works shall be carried out in accordance with the approved landscape details by not later than the end of the planting season following completion of the development or, prior to the occupation for the permitted use of the development, whichever is the sooner. Any trees or areas of planting (including trees existing at the outset of the development other than those indicated to be removed) which, within a period of 5 years from the completion of the development, die, are removed or become seriously damaged or diseased, shall be replaced as soon as is reasonably possible and, in any case, by not later than the end of the following planting season, with others of similar size and species, unless the local planning authority gives written consent to any variation.</p> <p>Reason: To ensure that the landscaping is carried out within a reasonable period and to maintain a high quality of visual amenity in the scheme in accordance with the requirements of policies A2, A3, A5, D1 and D2 of the London Borough of Camden Local Plan 2017.</p>
17	<p>Secured by Design</p> <p>Prior to commencement (other than demolition and site clearance) proof that the plans can achieve secured by design accreditation must be submitted to and approved by the local planning authority.</p> <p>Reason: To ensure that the development mitigates the risk of burglary and antisocial behaviour in accordance with policy C5 of the London Borough of Camden Local Plan 2017.</p>
18	<p>Privacy</p> <p>Notwithstanding the details shown on the approved plans, prior to occupation details of privacy measures for Units 11 and 12's 2nd floor rear windows on the Southeast Elevation only shall be submitted to and approved by the local planning authority. These measures shall be installed and retained permanently prior to occupation.</p>

	<p>Reason: In order to prevent unreasonable overlooking of neighbouring premises in accordance with policies A1 and D1 of the London Borough of Camden Local Plan 2017.</p>
19	<p>Cycle Parking</p> <p>Notwithstanding the details shown on the approved plans, prior to first occupation of any of the units, full details of 26 cycling parking consisting of 24 long stay spaces (including 1 for non-standard cycles) and 2 short stay spaces shall be submitted and approved and approved by the local planning authority in writing.</p> <p>The approved cycle parking shall thereafter be provided in its entirety prior to the first occupation of any part of development, and permanently retained thereafter.</p> <p>Reason: To ensure that the scheme makes adequate provision for cycle users in accordance with policies T1 and T2 of the London Borough of Camden Local Plan 2017.</p>
20	<p>Plant Noise</p> <p>Noise levels at a point 1 metre external to sensitive facades shall be at least 10dB(A) less than the existing background measurement (LA90), expressed in dB(A) when all plant/equipment (or any part of it) is in operation unless the plant/equipment hereby permitted will have a noise that has a distinguishable, discrete continuous note (whine, hiss, screech, hum) and/or if there are distinct impulses (bangs, clicks, clatters, thumps), then the noise levels from that piece of plant/equipment at any sensitive façade shall be at least 15dB(A) below the LA90, expressed in dB(A).</p> <p>Reason: To safeguard the amenities of the adjoining premises and the area generally in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017.</p>
21	<p>Anti-vibration isolators</p> <p>Prior to use, machinery, plant or equipment at the development shall be mounted with proprietary anti-vibration isolators and fan motors shall be vibration isolated from the casing and adequately silenced and maintained as such.</p> <p>Reason: To ensure that the amenity of occupiers of the development site and surrounding premises is not adversely affected by vibration in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017</p>
22	<p>Noise</p> <p>The design and structure of the development shall be of such a standard that it will protect residents within it from existing external noise so that they are not</p>

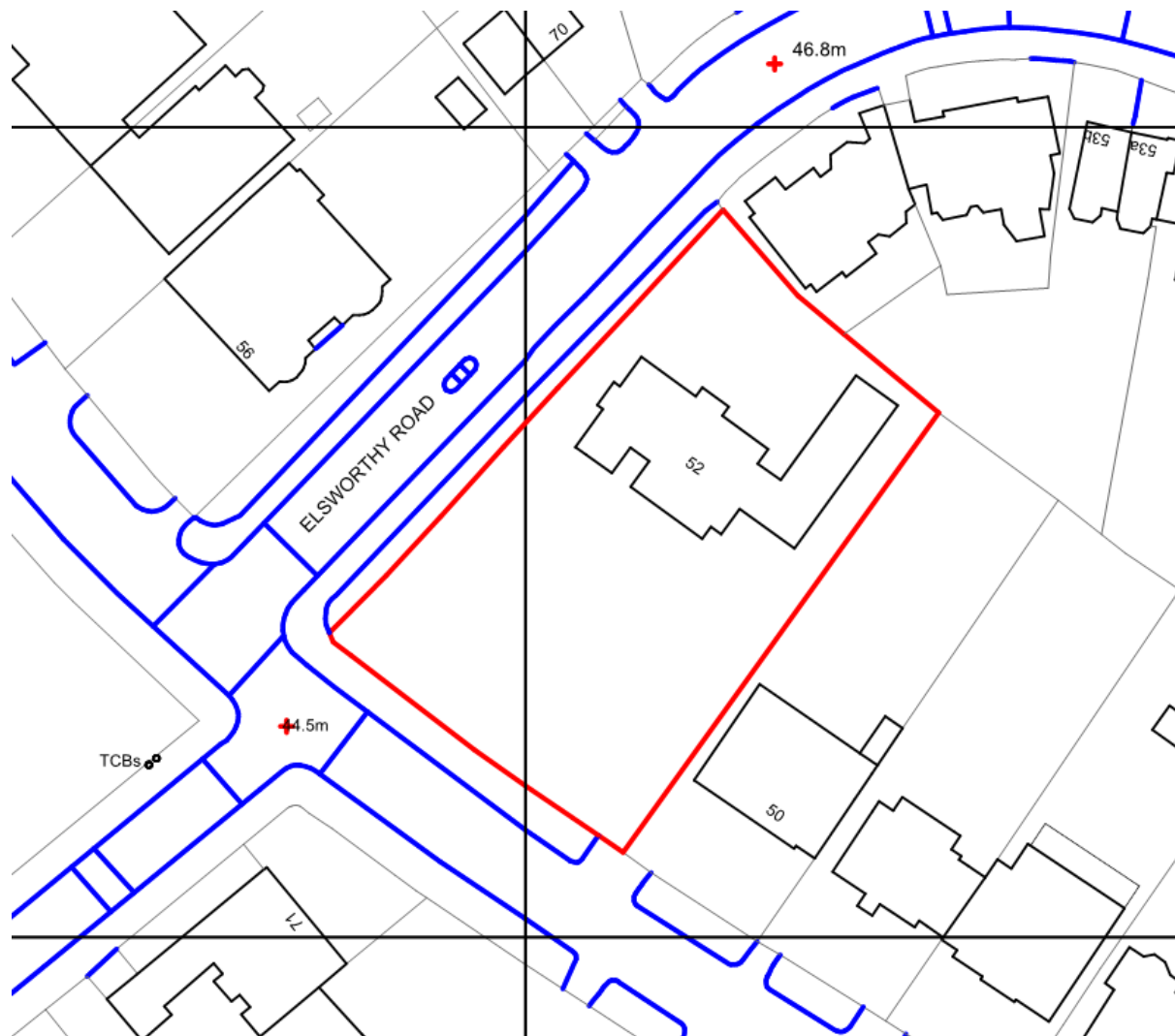
	<p>exposed to levels indoors of more than 35 dB L_{Aeq} 16 hrs daytime and of more than 30 dB L_{Aeq} 8 hrs in bedrooms at night.</p> <p>Reason: To ensure that the amenity of occupiers of the development site/ surrounding premises is not adversely affected by noise from mechanical installations/ equipment in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017</p>
23	<p>Refuse items</p> <p>The refuse and recycling facility as approved shall be provided prior to the first occupation of any of the new units and permanently retained thereafter.</p> <p>Reason: To ensure that sufficient provision for the storage and collection of waste has been made in accordance with the requirements of policy CC5, A1 and A4 of the London Borough of Camden Local Plan 2017.</p>
24	<p>Wheelchair adaptable housing</p> <p>Unit 5 (as identified on drawing no. 208-324D) in the development hereby permitted shall be constructed to comply with Part M4(3) of the Building Regulations.</p> <p>All other residential units hereby permitted shall be constructed to comply with Part M4(2) of the Building Regulations.</p> <p>Reason: To secure appropriate access for disabled people, older people, and others with mobility constraints, in accordance with policies H6 and C6 of the Camden Local Plan 2017.</p>
25	<p>Water Use</p> <p>The development hereby approved shall achieve a maximum internal water use of 105litres/person/day, allowing 5 litres/person/day for external water use.</p> <p>Reason: To ensure the development contributes to minimising the need for further water infrastructure in an area of water stress in accordance with policy CC3 of the London Borough of Camden Local Plan 2017.</p>
26	<p>External fixtures</p> <p>No lights, meter boxes, flues, vents or pipes, and no telecommunications equipment, alarm boxes, television aerials, satellite dishes or rooftop 'mansafe' rails shall be fixed or installed on the external face of the building, without the prior approval in writing of the local planning authority.</p> <p>Reason: To safeguard the appearance of the premises and the character of the immediate area in accordance with the requirements of policies D1 and D2 of the London Borough of Camden Local Plan 2017.</p>

27	<p>Non-road mobile machinery</p> <p>No non-road mobile machinery (NRMM) shall be used on the site unless it is compliant with the NRMM Low Emission Zone requirements (or any superseding requirements) and until it has been registered for use on the site on the NRMM register (or any superseding register).</p> <p>Reason: To safeguard the amenities of the adjoining occupiers, the area generally and contribution of developments to the air quality of the borough in accordance with the requirements of Camden Local Plan policies A1 and CC4.</p>
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Informatives

1	Your proposals may be subject to control under the Building Regulations and/or the London Buildings Acts that cover aspects including fire and emergency escape, access and facilities for people with disabilities and sound insulation between dwellings. You are advised to consult the Council's Building Control Service, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (tel: 020-7974 6941).
2	Noise from demolition and construction works is subject to control under the Control of Pollution Act 1974. You must carry out any building works that can be heard at the boundary of the site only between 08.00 and 18.00 hours Monday to Friday and 08.00 to 13.00 on Saturday and not at all on Sundays and Public Holidays. You are advised to consult the Council's Noise and Licensing Enforcement Team, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (Tel. No. 020 7974 4444 or search for 'environmental health' on the Camden website or seek prior approval under Section 61 of the Act if you anticipate any difficulty in carrying out construction other than within the hours stated above.
3	Your attention is drawn to the fact that there is a separate legal agreement with the Council which relates to the development for which this permission is granted. Information/drawings relating to the discharge of matters covered by the Heads of Terms of the legal agreement should be marked for the attention of the Planning Obligations Officer, Sites Team, Camden Town Hall, Argyle Street, WC1H 8EQ.
4	Your proposals may be subject to control under the Party Wall etc Act 1996 which covers party wall matters, boundary walls and excavations near neighbouring buildings. You are advised to consult a suitably qualified and experienced Building Engineer.
5	Thames Water will aim to provide customers with a minimum pressure of 10m head (approx 1 bar) and a flow rate of 9 litres/minute at the point where it leaves Thames Waters pipes. The developer should take account of this minimum pressure in the design of the proposed development.
6	Mitigation measures to control construction-related air quality impacts should be secured within the Construction Management Plan as per the standard CMP Pro-Forma. The applicant will be required to complete the checklist and demonstrate that all mitigation measures relevant to the level of identified risk are being included.

7	Under Section 25 of the GLC (General Powers) Act 1983, the residential accommodation approved is not permitted for use as holiday lettings or any other form of temporary sleeping accommodation defined as being occupied by the same person(s) for a consecutive period of 90 nights or less. If any such use is intended, then a new planning application will be required which may not be approved.
8	The correct street number or number and name must be displayed permanently on the premises in accordance with regulations made under Section 12 of the London Building (Amendments) Act 1939.
9	<p>The proposed works will be in close proximity to underground strategic water main, utility infrastructure. Please note condition 8 attached the the permission. The works has the potential to impact on local underground water utility infrastructure. Please read our guide 'working near our assets' to ensure your workings will be in line with the necessary processes you need to follow if you're considering working above or near our pipes or other structures.</p> <p>https://www.thameswater.co.uk/developers/larger-scale-developments/planning-your-development/working-near-our-pipes</p> <p>If you require further information please contact Thames Water. Email:developer.services@thameswater.co.uk.</p>

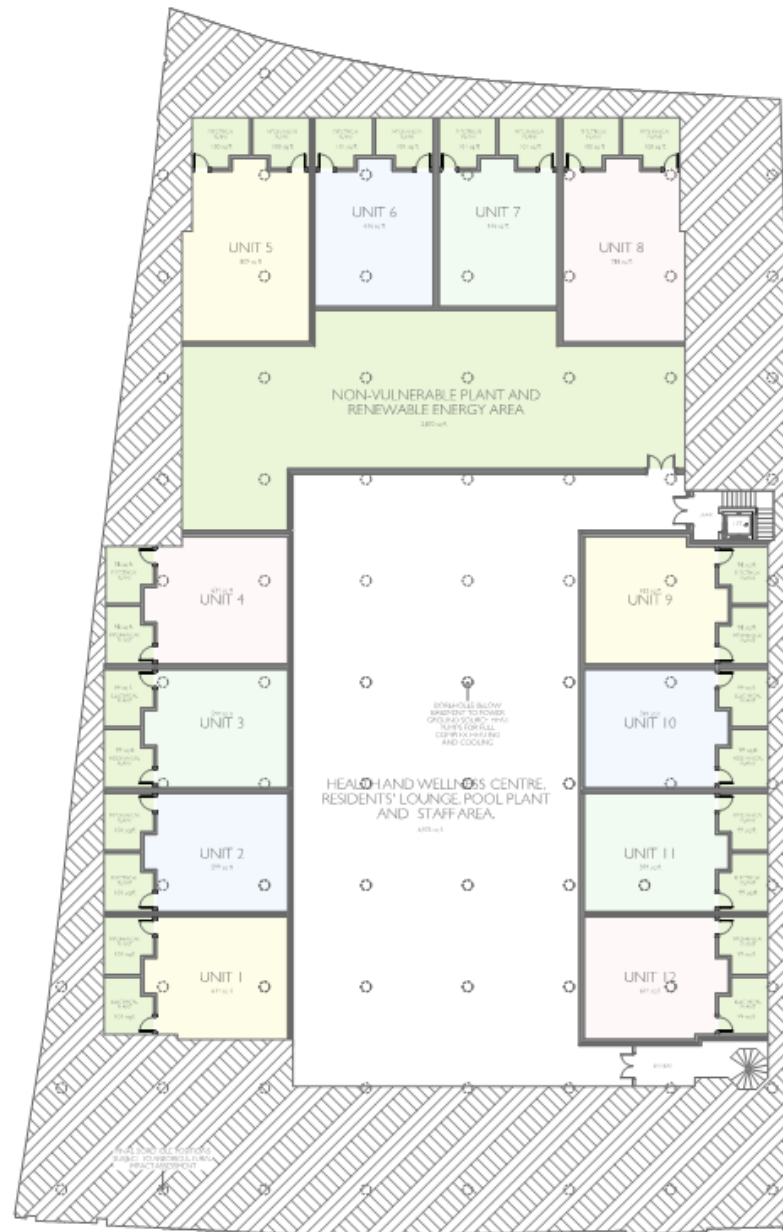


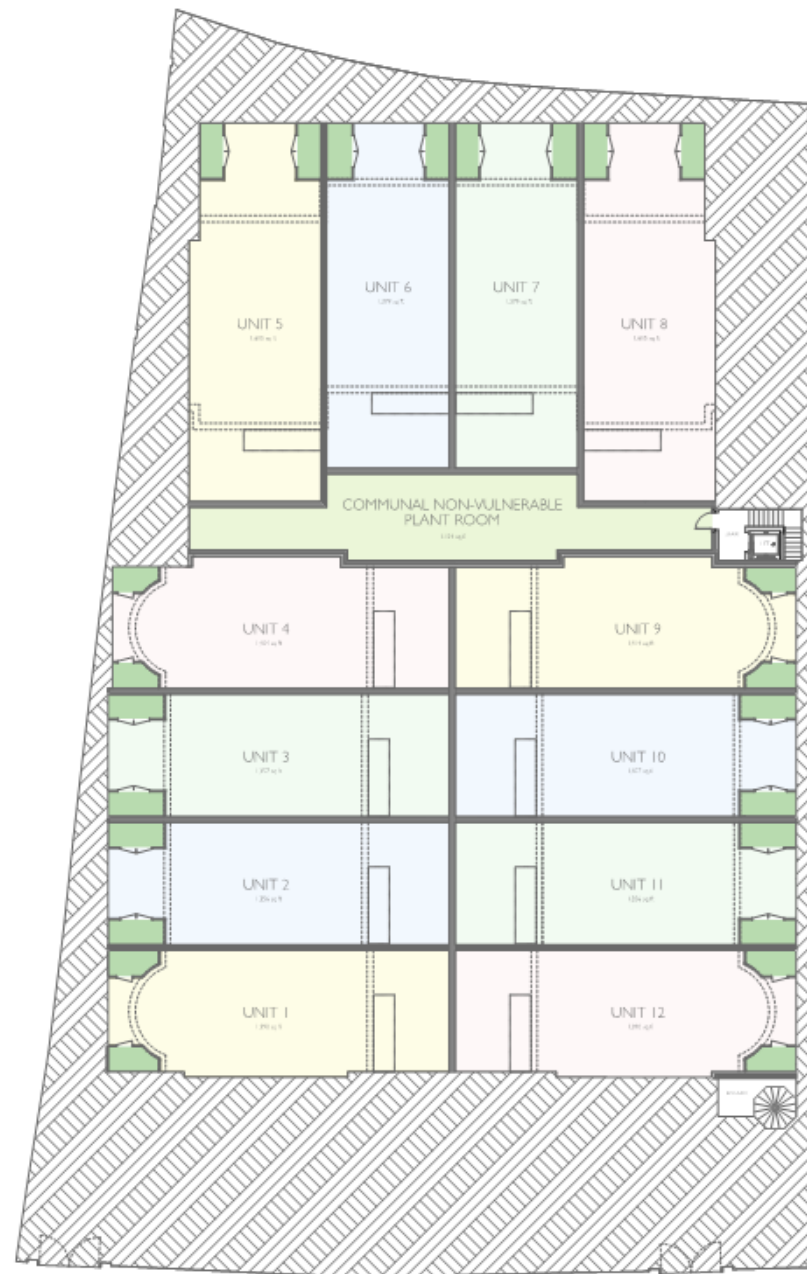


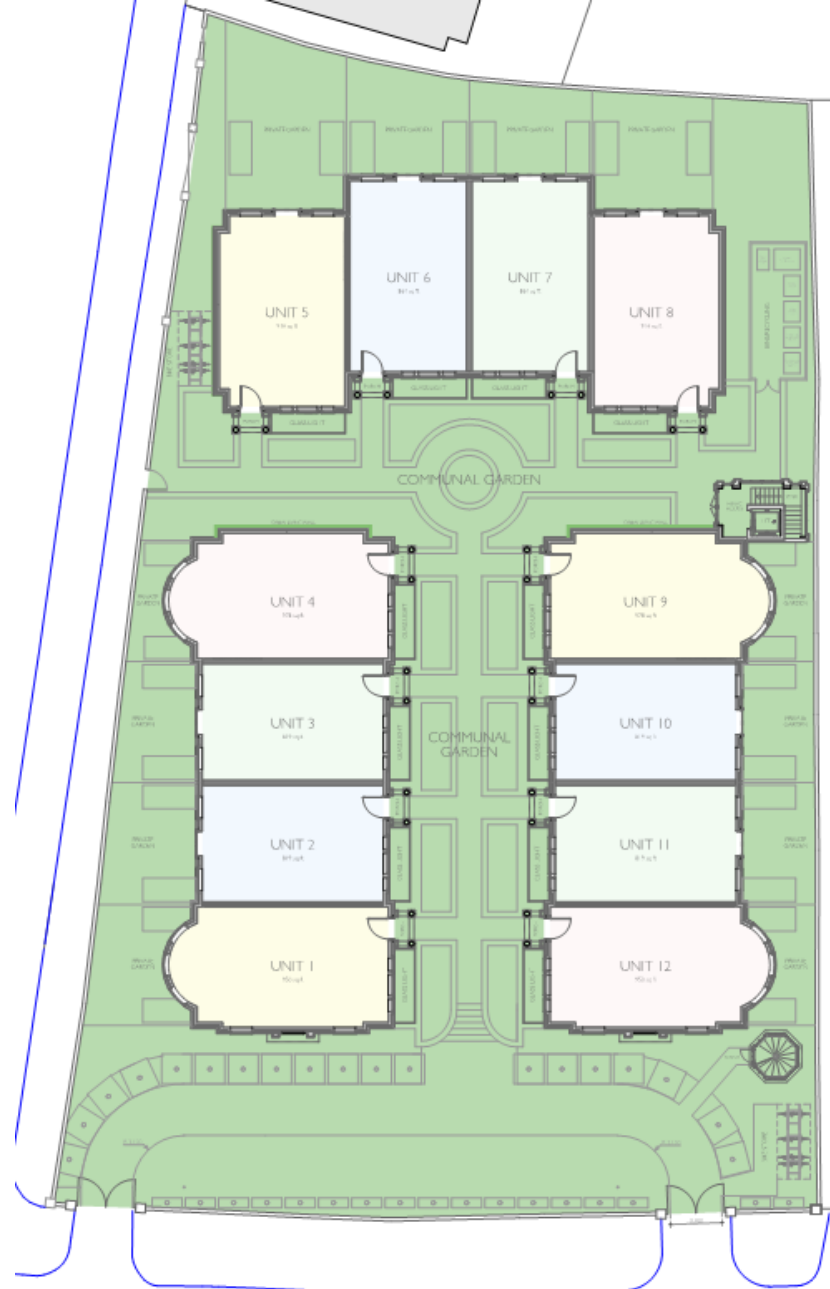




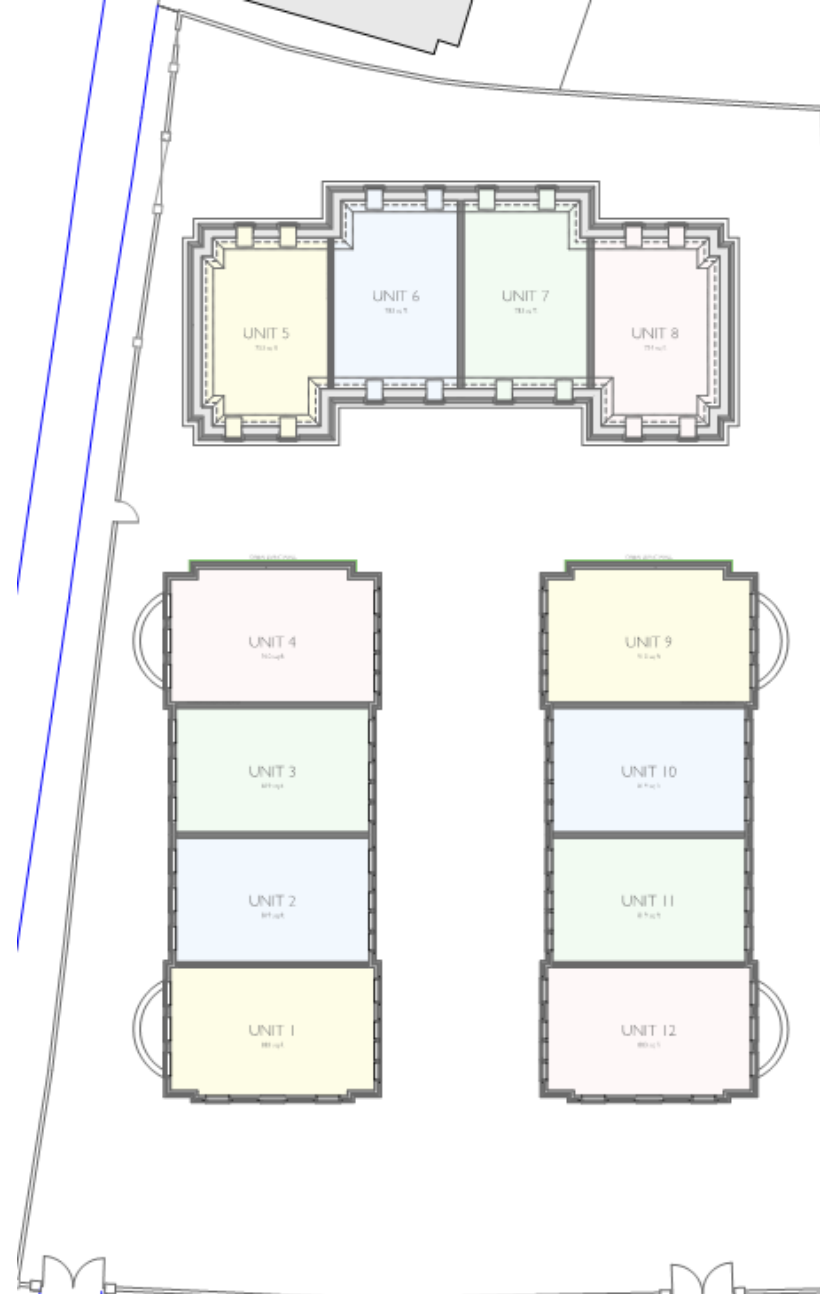


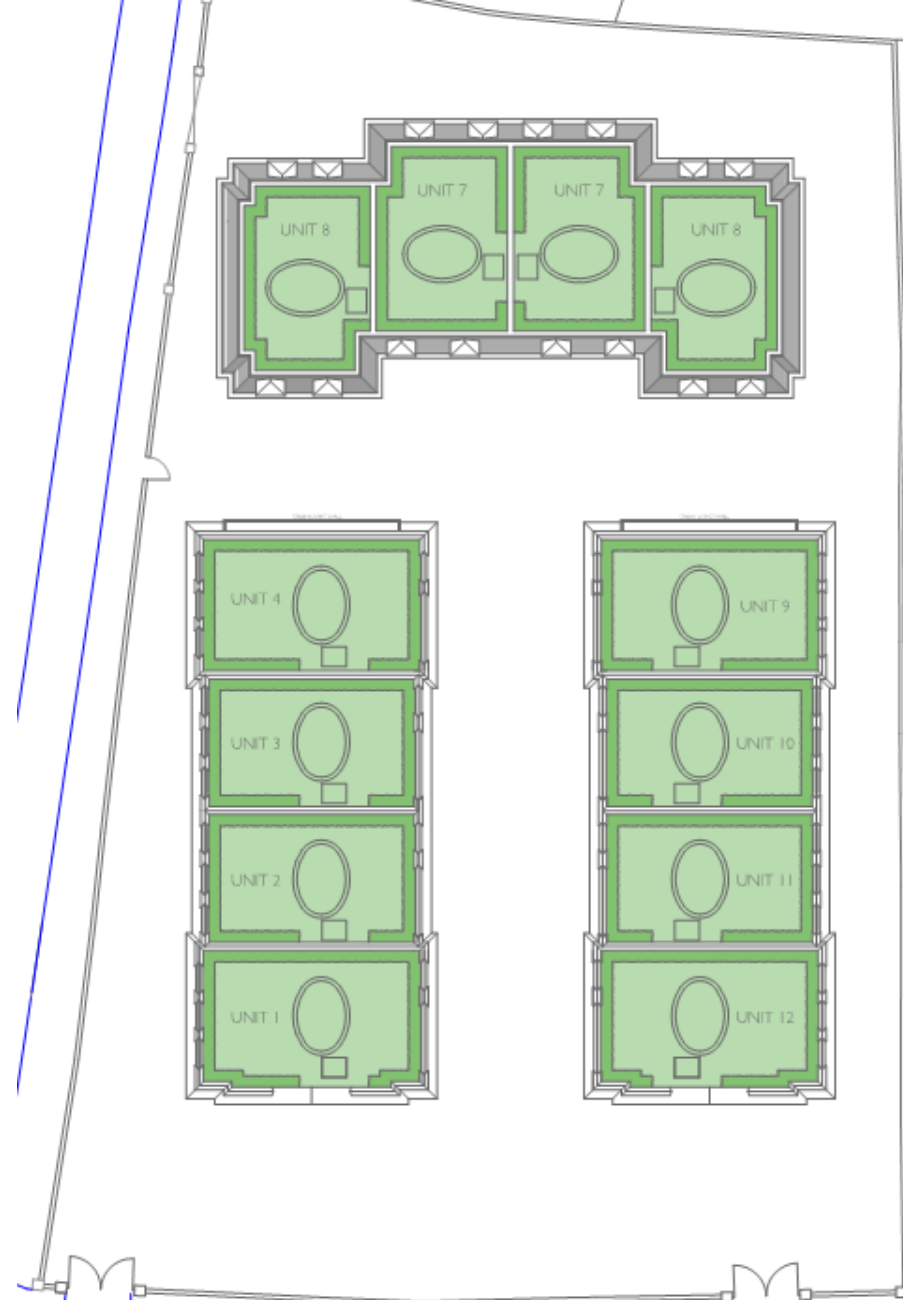


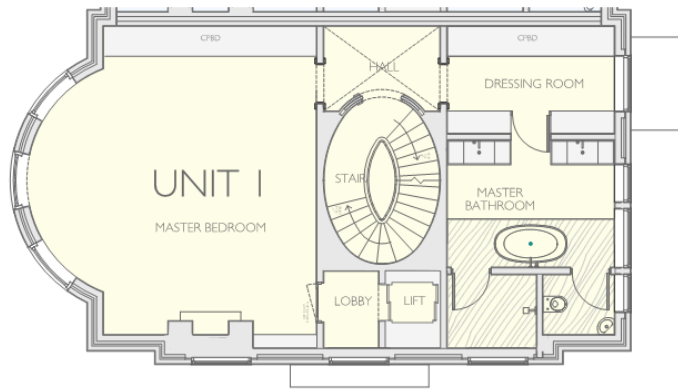




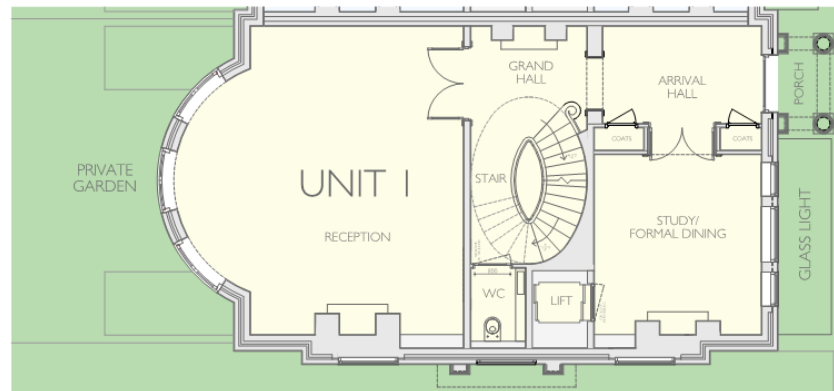




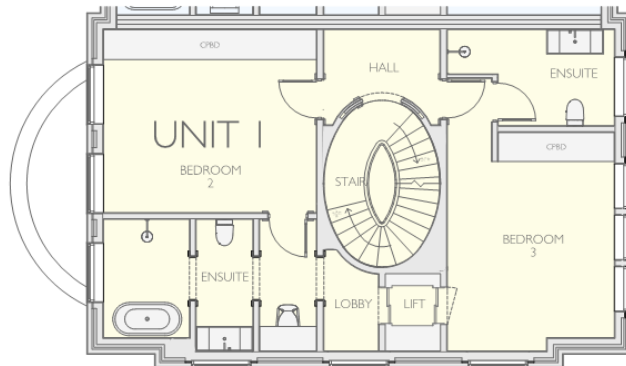




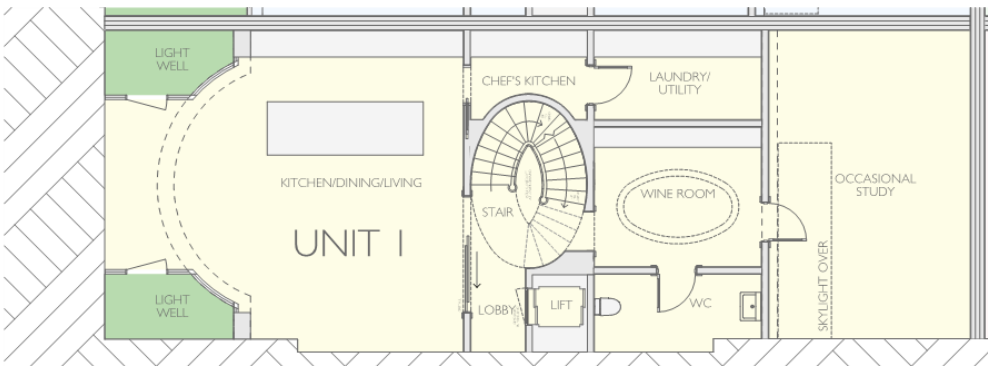
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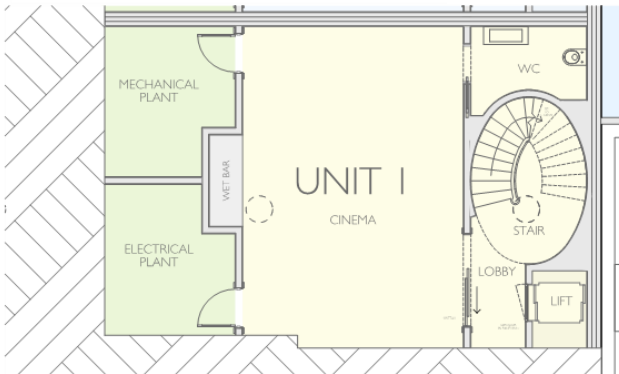
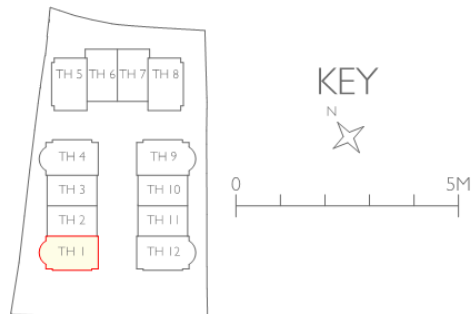
GROUND FLOOR PLAN FLOOR 1:50



SECOND FLOOR PLAN 1:50



LOWER GROUND FLOOR PLAN 1:50



BASEMENT PLAN 1:50

- REV E 19/10/2022 LG ENSUITE MERGED WITH OCCASIONAL STUDY
- REV D 06/10/2022 GUEST/STAFF BEDROOM CHANGED TO OCCASIONAL STUDY
- REV C 04/10/2022 KEY PLAN ADJUSTED TO REFLECT OWNERSHIP
- REV B 26/07/2022 HOUSE ENTRANCES AND FENESTRATION AMENDED

PROJECT:
PROJECT PHOENIX
AVENUE GARDENS
TITLE:
TOWN HOUSE 1 PLANS

Date: APRIL 2022

Scale: 1:50 @ A1

Drawn: SDK

DRAWING NUMBER: 208-320E



ELEVATION 1



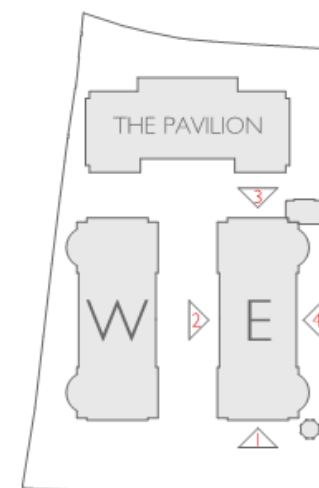
ELEVATION 2



ELEVATION 3



ELEVATION 4



KEY



ELEVATION 1



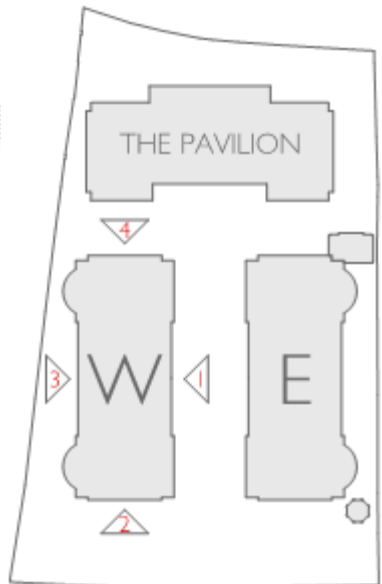
ELEVATION 3



ELEVATION 2



ELEVATION 4



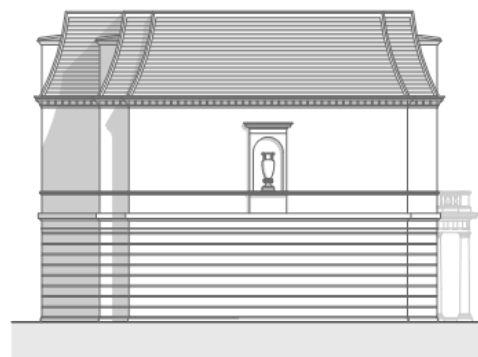
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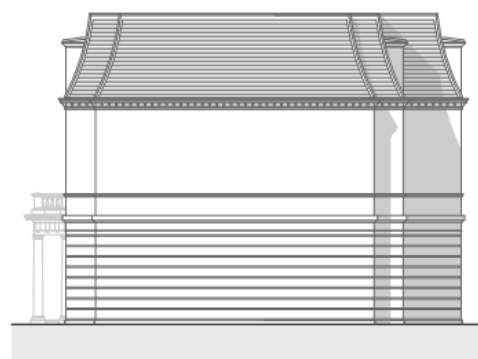
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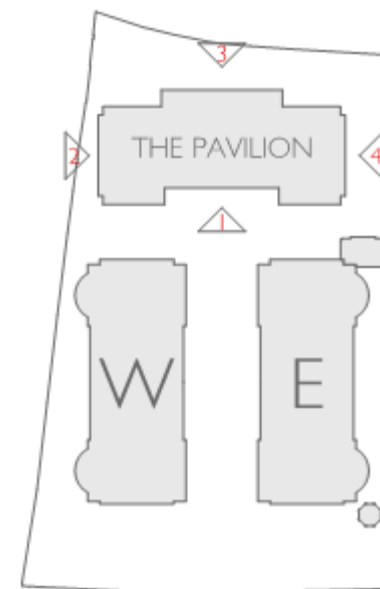
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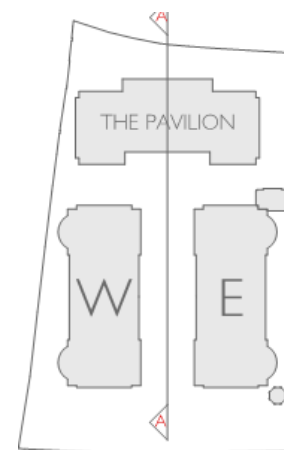


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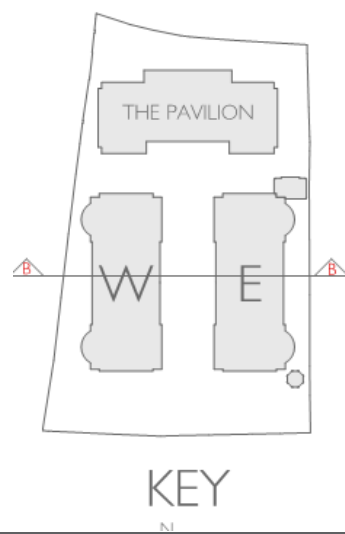
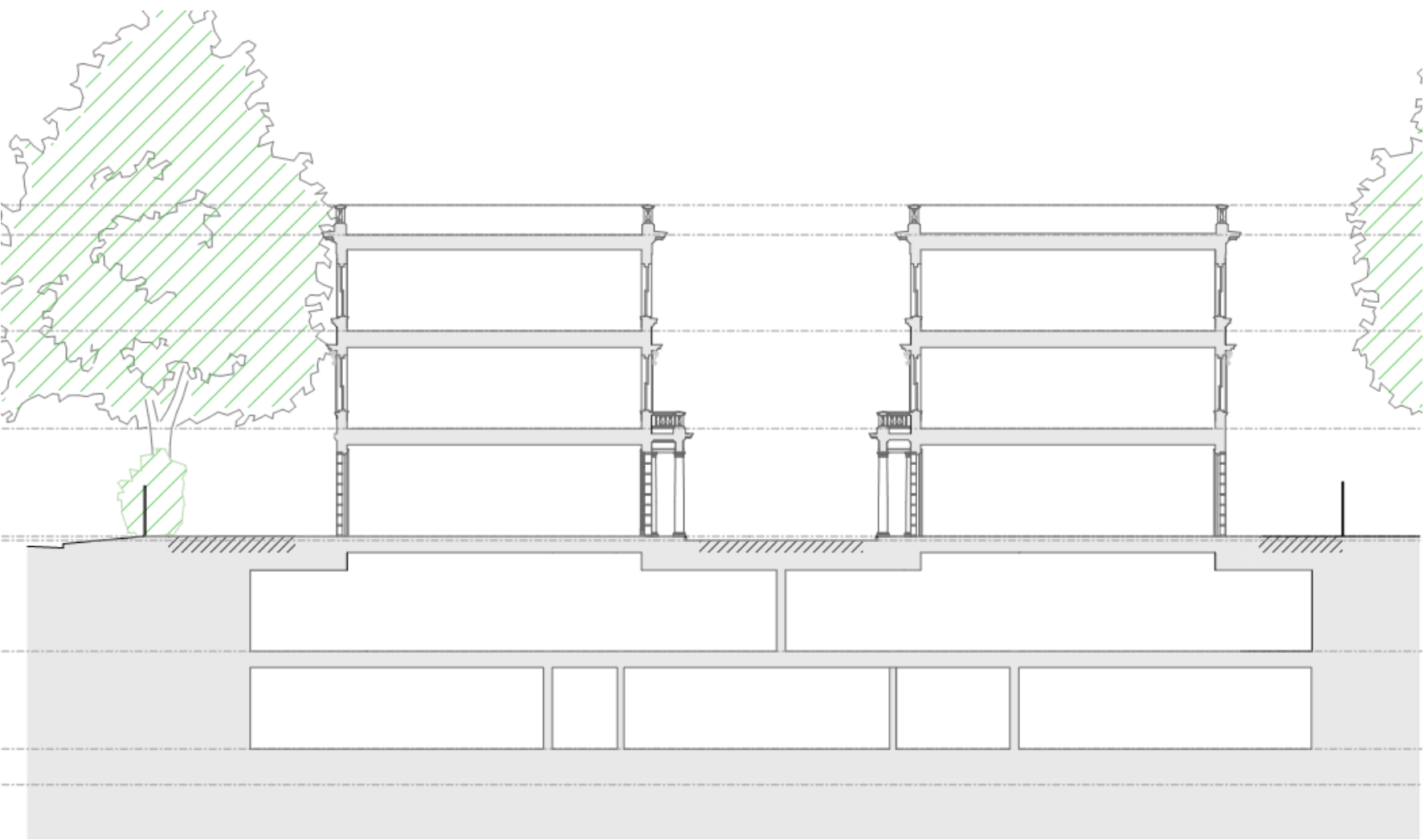


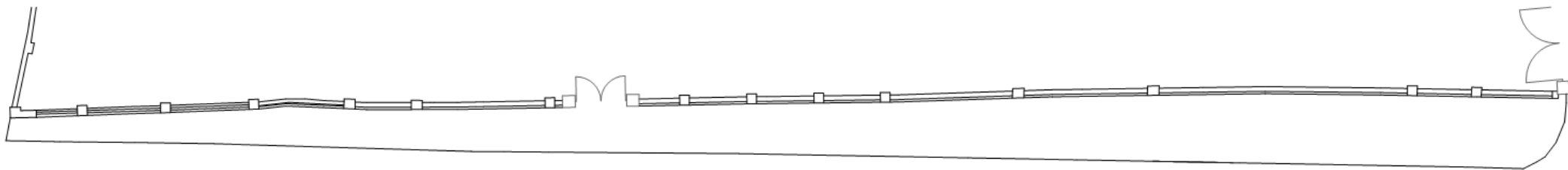
ELEVATION 4



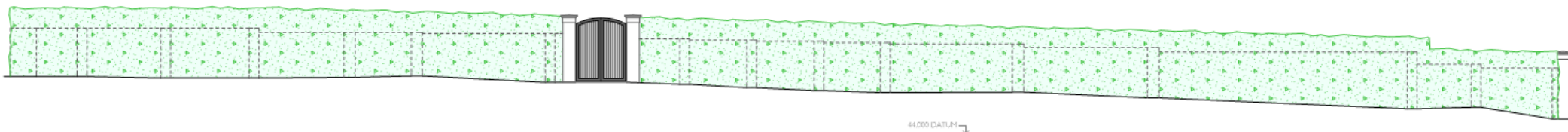


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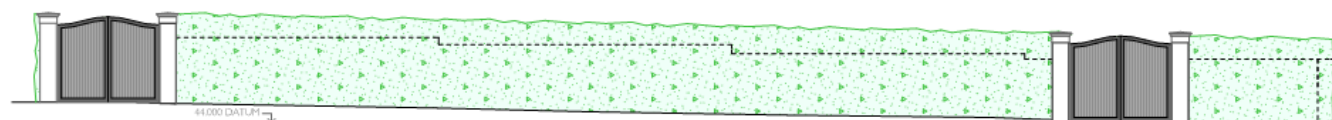
PLAN A OF PROPOSED ELSWORTHY ROAD BOUNDARY WALL 1:100



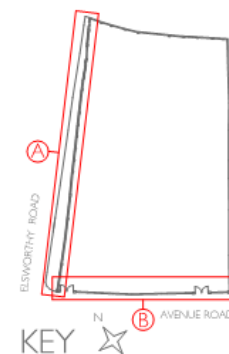
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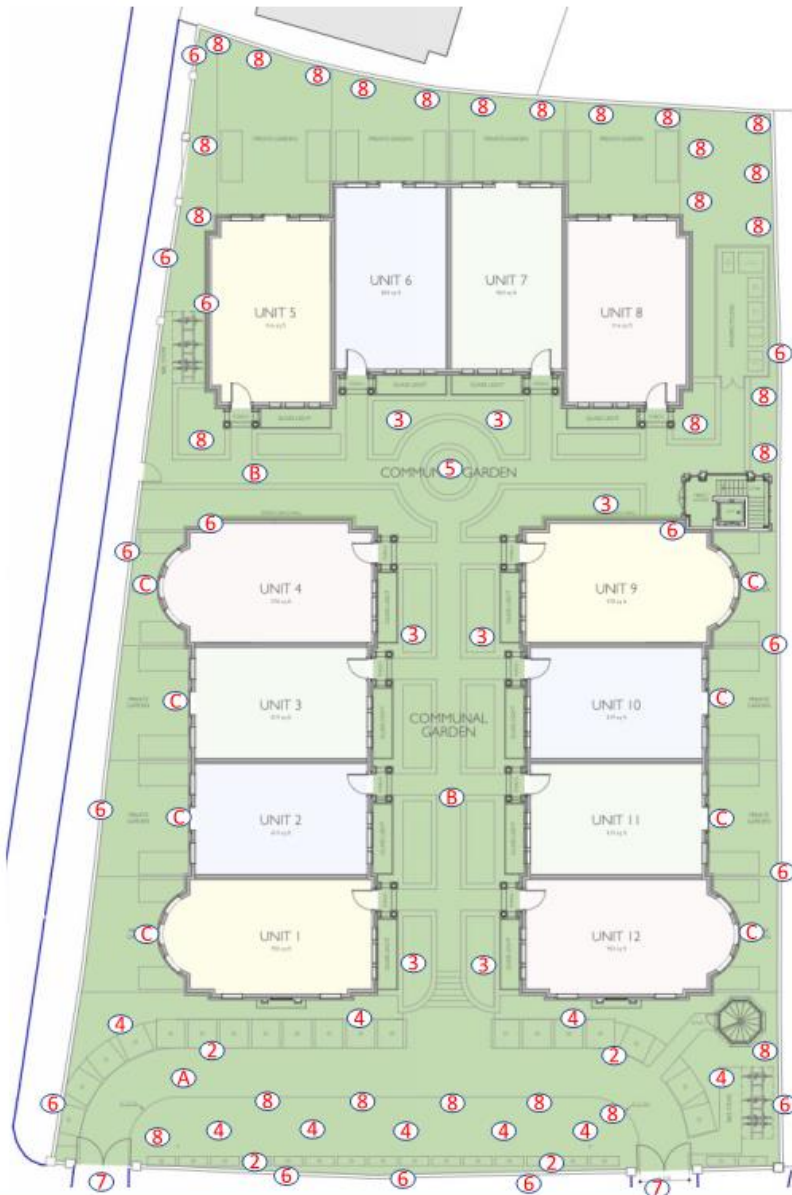
PLAN B OF PROPOSED AVENUE ROAD BOUNDARY WALL 1:100



ELEVATION B OF PROPOSED AVENUE ROAD BOUNDARY WALL 1:100



52 Avenue Road Landscaping Layout & Material Schedule



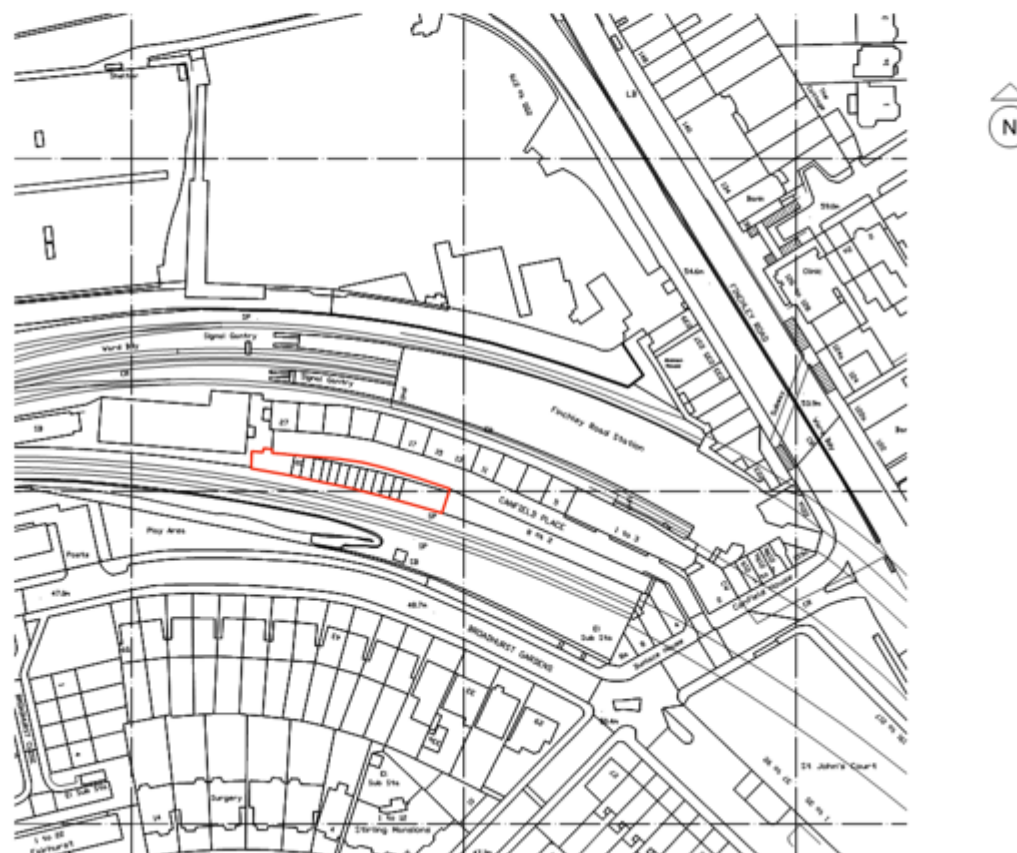
DETAIL #	DESCRIPTION	IMAGE
1	DRIVEWAY / TUMBLED LIMESTONE SETTS - FANNED PATTERN (FOR A PATTERN REFERENCE ONLY - ACTUAL MATERIAL LOOK AND FEEL PER 1B/1C)	
2	PATHWAYS - TUMBLED LIMESTONE SETTS	
3	PRIVATE RESIDENCE PATIOS - TUMBLED LIMESTONE SETTS	
4	PLEACHED HORNBEAMS (CARPINUS BETULUS) APPROX 3.5-4M HIGH WITH 600MM HIGH SOLID CUSHIONS OF 'EUONIMUS JAPONICUS' BELOW.	
5	BEDS OF 1.5-1.75M HIGH NATURAL 'ANNABELLE HYDRANGEA' BORDERED BY 600MM HIGH 'EUONIMUS JAPONICUS' HEDGING	

DETAIL #	DESCRIPTION	IMAGE
4	EVERGREEN SHRUBS/GROUND COVER TRA - EVERGREEN GROUND COVER OR SIMILAR - EG. 'ASARUM EUROPAEUM' (SUBJECT TO AVAILABILITY)	
5	SINGLE ORNAMENTAL MULTISTEM 'PAFFROTTA PERSEA' UMBRELLA TREE (4-5M IN HEIGHT)	
6	BORDERS COVERED IN INDIGENOUS IVY PRE-GROWN PANELS - 'HEDERA HELIX' 'ENGLISH IVY'	
7	OAK PANELLED SLIDING DOUBLE GATES / STUCCO WHITE GATE COLUMNS / SEE ARCHITECT'S DIMS/SPEC FOR GATE - PAINTED DARK GREY - (RAL COLOR - LICK.COM / GREY 08 VELVET-SOFT CHARCOAL GREY)	

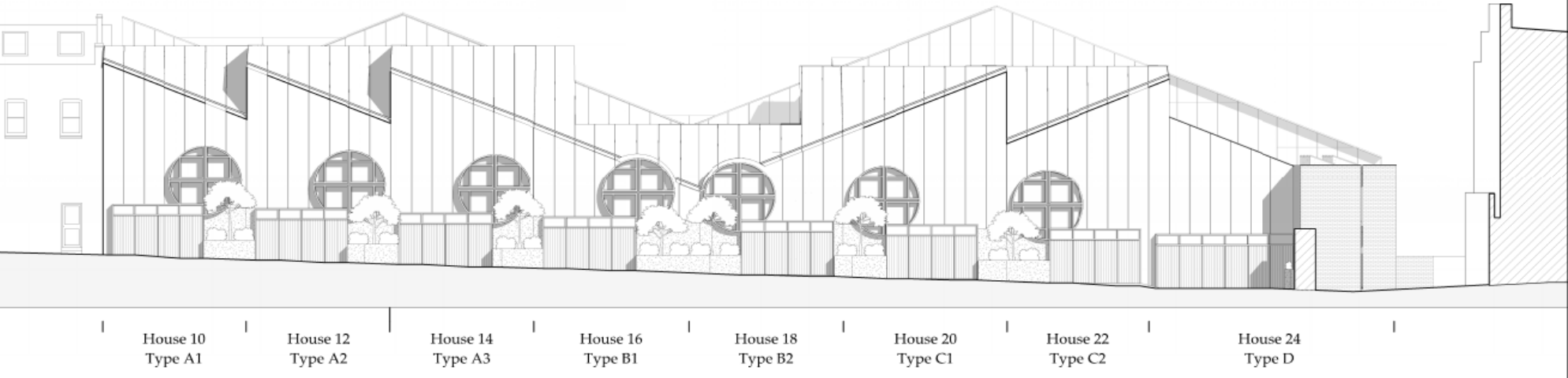
8	MIXTURE OF SEMI MATURE INDIGENOUS SPECIES PER SITE CONDITIONS (APPROX. 20 EXAMPLES) FINAL SPECIES SUBJECT TO BEST IN CLASS AVAILABILITY - SAKURA / CARPINUS SAPINDACEAE	
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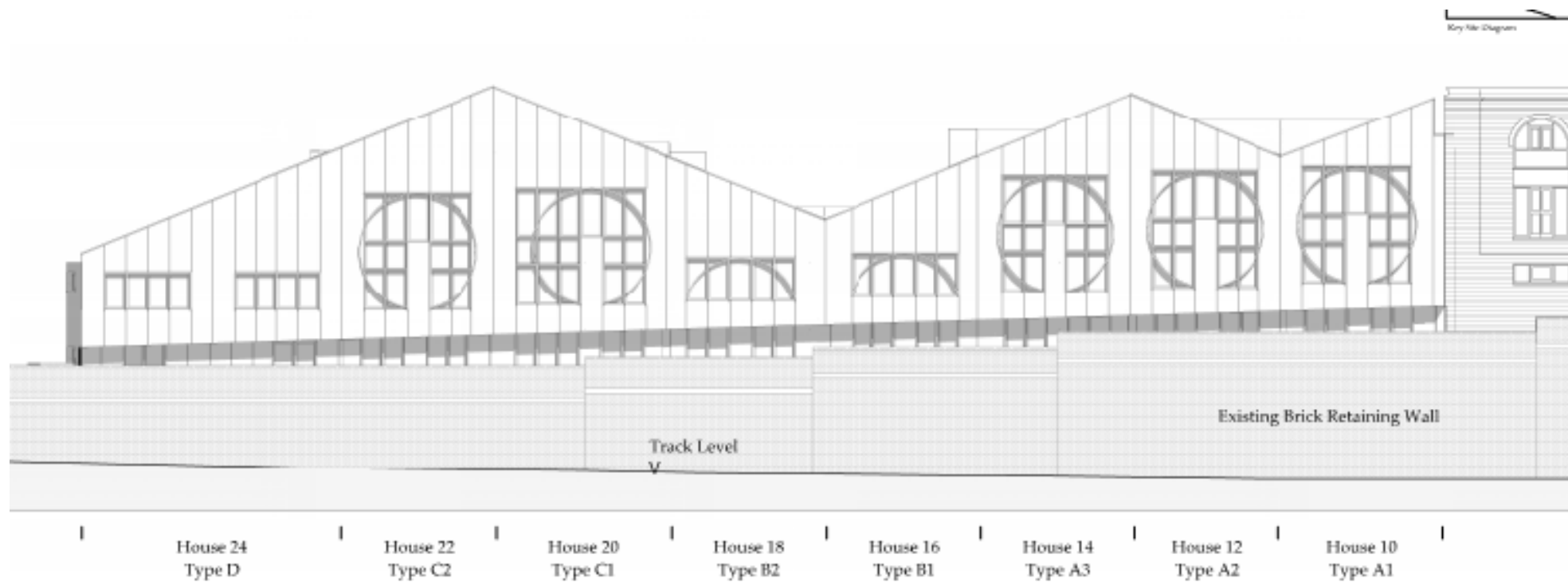
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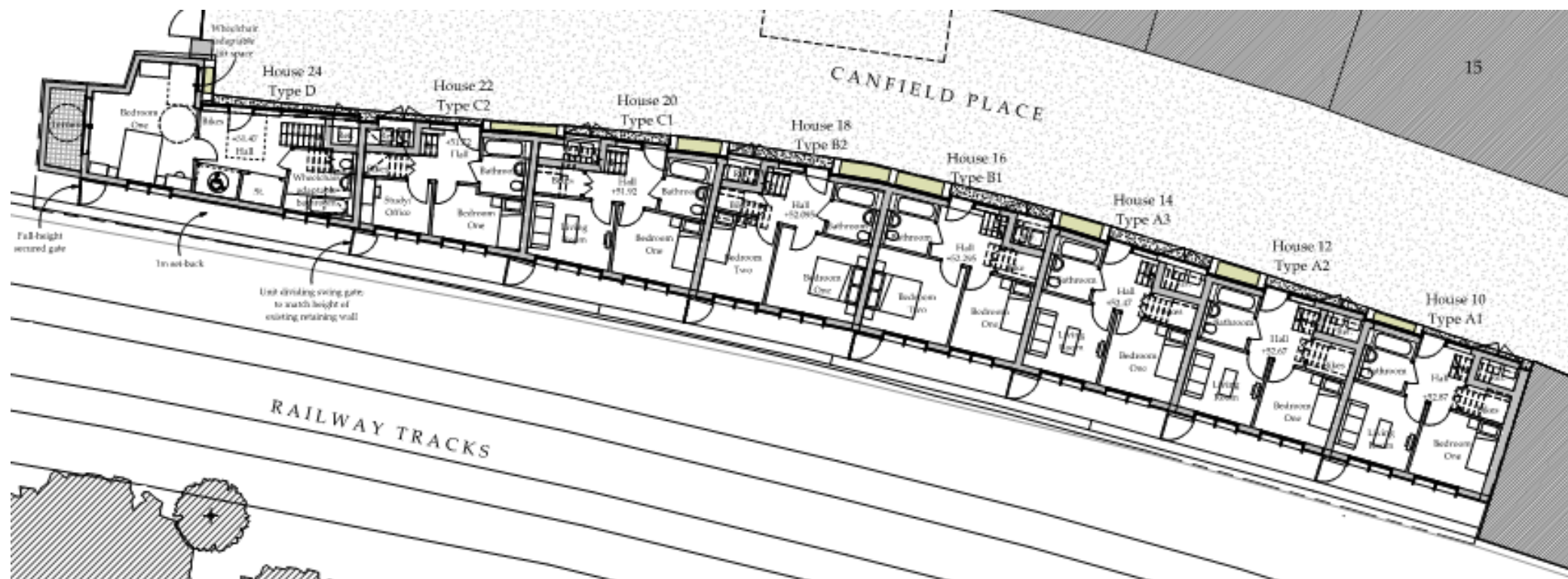
Demolition of 16 single storey garages (Sui Generis) and redevelopment of the site to provide 8 mews type residential dwellings (C3) comprising 3 x two storey properties and 5 x three storey properties with associated roof terraces.

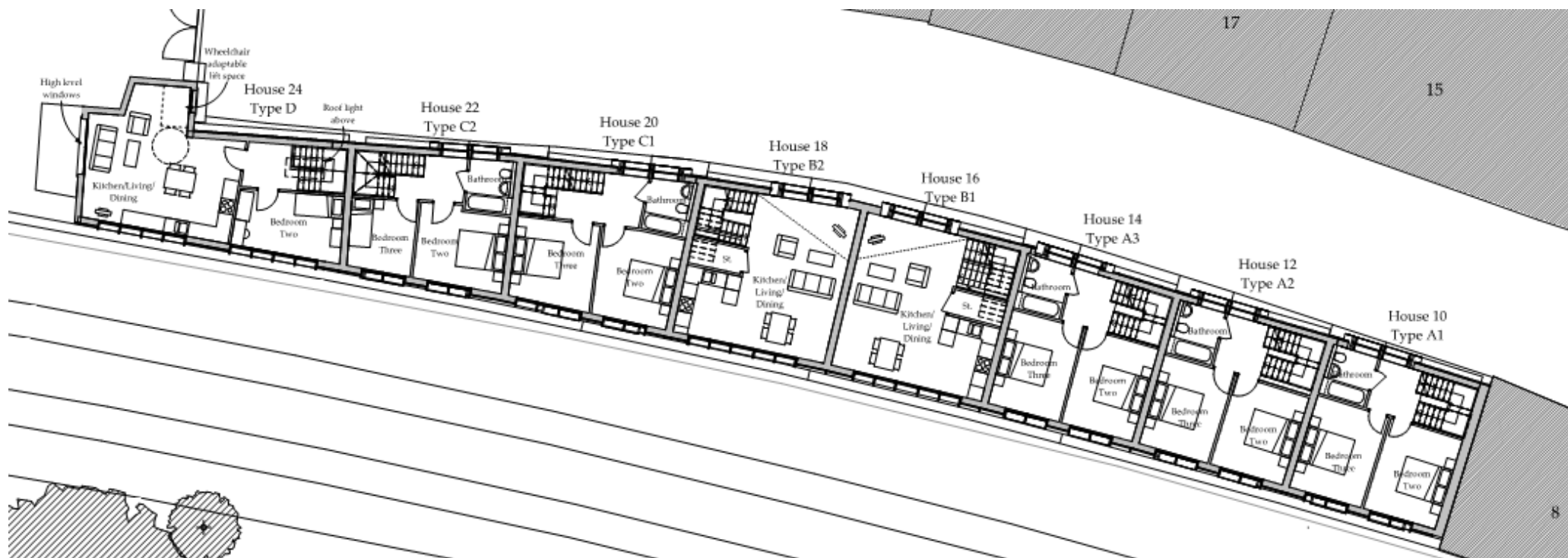


Mews Elevation

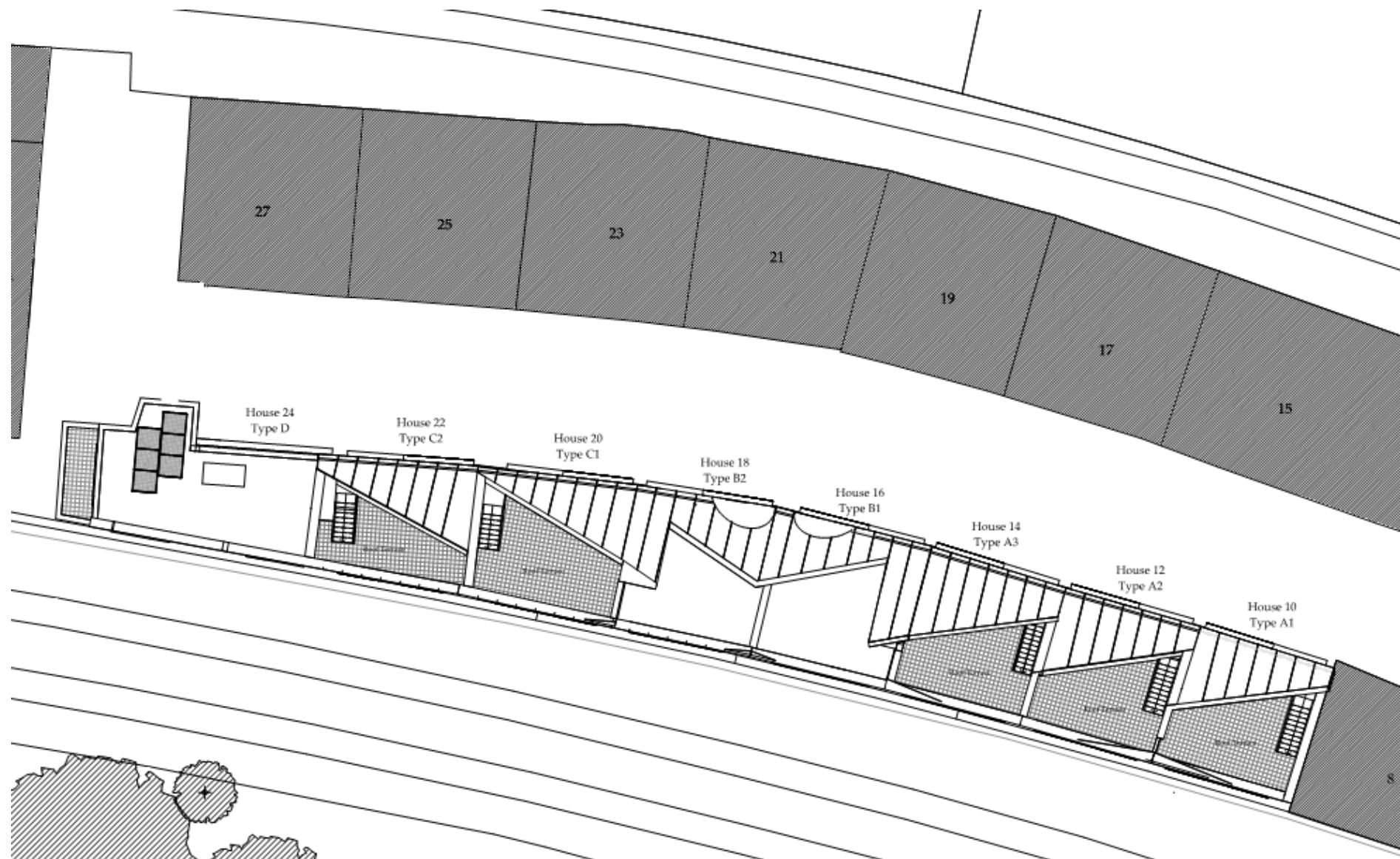


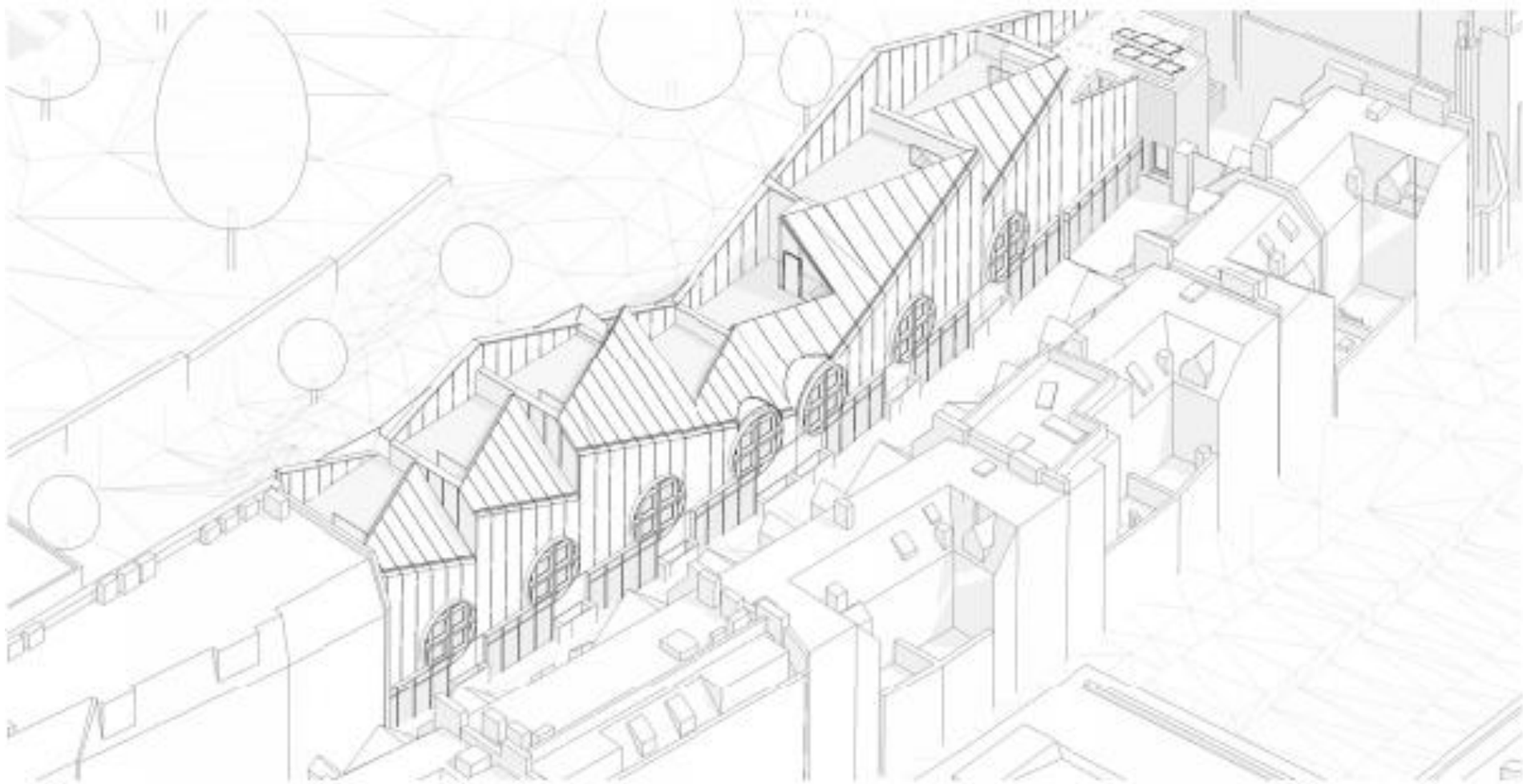






















Annex A:

BPS Independent Financial Viability Review

52-54 Avenue Road, NW8 6HS

Independent Viability Review

Prepared on behalf of the London Borough of Camden

18th August 2022

Planning Reference: 2022/1863/P



215a High Street, Dorking RH4 1RU
www.bps-surveyors.co.uk

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1.0 INTRODUCTION

- 1.1 BPS Chartered Surveyors have been instructed by the London Borough of Camden ('the Council') to undertake a review of a Financial Viability Assessment (FVA) prepared by JLL on behalf of Domvs London (Global Holding) Ltd ('the Applicant') in connection with a planning application for the redevelopment of the above site.
- 1.2 The site currently comprises a single, detached residential dwelling which we understand measures approximately 7,298 sq ft (GIA) arranged over basement, ground and first floors. We understand the site extends to c. 0.75 acres (0.3 hectares) and the property is in a very poor condition.
- 1.3 The location is predominantly residential in nature. The site is located within the Elsworthy Road Conservation Area: 'sub area 1 - Avenue Road'. The applicant's Design and Access Statement outlines that the subject building is listed as a negative contributor to this conversation area. The site is designated as a development opportunity for up to 20 units in LB Camden's emerging draft site allocation plan.
- 1.4 The proposals are for:
"Demolition of existing dwelling and erection of three, 3 storey buildings over part lower ground/basement, comprising total of 12 townhouses (12 x 4 bed), together with associated landscaping (including disabled parking) and installation of new access gate onto Avenue Road."
- 1.5 The basis of our review is the Financial Viability Assessment prepared by JLL, dated May 2022, which concludes that the scheme currently shows a deficit of approximately -£42.8m and therefore no affordable housing can viably be offered.
- 1.6 We have downloaded documents available on LB Camden's planning website.
- 1.7 We have assessed the cost and value inputs within the financial appraisal in order to determine whether the scheme can viably make any affordable housing contributions.
- 1.8 We have searched the LB Camden planning website and have not identified any other major recent or outstanding planning applications relating to the site.
- 1.9 A Land Registry search shows that the site was purchased by 52 Avenue Road Limited for £29,500,000 on 31st August 2021. We note from Companies House that Jonathan O'Brien, listed as a Director of Domvs London (Global Holding) Ltd (the Applicant), was appointed as a Director at 52 Avenue Road Limited on 16th April 2021 and resigned on 4th June 2021. The current Directors listed were both appointed on 4th June 2021.
- 1.10 The advice set out in this report is provided in the context of negotiating planning obligations and therefore in accordance with PS1 of the RICS Valuation - Global Standards 2020, the provisions of VPS1-5 are not of mandatory application. Accordingly, this report should not be relied upon as a Red Book Valuation. The Valuation Date for this Viability Review is the date of this report, as stated on the title page. This Viability Review has been undertaken in accordance with the Terms & Conditions provided to the Council and with any associated Letters of Engagement and should only be viewed by those parties that have been authorised to do so by the Council.

- 1.11 This Viability Review adheres to the RICS Professional Statement on Financial Viability in Planning (published May 2019). In accordance with this Statement, we refer you to our standard terms and conditions which incorporate details of our Quality Standards Control & Statement on Limitation of Liability/ Publication.

2.0 SUMMARY TABLE

Input	S106M	BPS	Comments
Private Sales Values	£81,594,240	£102,000,000	Disagreed - We consider the assumed pricing pessimistic and have updated the values.
Ground Rents	£nil	£nil	Agreed
Car Parking	£nil	£nil	Agreed
Build Costs	£55,429,000	£55,439,000	Agreed - Our QS notes this build cost represents a very high level of specification which we consider should be matched in values.
Contingency	5.00%	5.00%	Agreed
Professional Fees	10.00% (£460,000 p/u)	£100,000 p/u	Disagreed - While we accept that 10% is an industry standard input we note that this would equate to £460k per house which we consider excessive. We request evidence to support this position.
Private Marketing and Agent Fees	2.50% (£170,000 p/u)	£170,000 p/u	Agreed - We have agreed JLL cost as a rate per unit. We consider this remains a very high marketing and agent allowance and would expect this to reflect a fast sales rate. We would also expect evidence of this cost to be provided.
Private Legal Fees	£1,250 p/u	£1,250 p/u	Agreed - We consider this allowance slightly above our normal expectations but note any reduction would have a very minimal impact on viability.
CIL and S106	£nil	£nil	Agreed - No CIL or S106 has been included, we have adopted this assumption for this assessment but would expect costs to be required.
Finance	6.50%	6.50%	Agreed
Profit (Private)	17.50%	15.00%	Disagreed - We have reduced the profit to 15% on GDV, the lowest allowed for by NPPG, to reflect the small scale of the proposals.
Pre-Construction Period	6 months	6 months	Agreed
Construction Period	30 months	22 months	Disagreed - We have adjusted the construction period in line with the average from the BCIS Duration Indicator.

Sales Period	36 months	24 months	Disagreed - We have reduced the sales period assuming 1 sale every 2 months which we consider achievable given the marketing and sales agent budget.
Benchmark Land Value	£36,000,000	£19,000,000	Disagreed - We consider the valuation provided includes hope value and does not fully take into account the very poor condition of the existing property. We also note that if JLL's BLV were accepted, it is not clear why the applicant would build out the proposals rather than sell the property as is.
Viability Position	-£42,806,900	-£7,588,099	Agreed - Overall while we do not accept JLL's deficit figure, which we consider plainly overstated if the proposals are to be considered deliverable, we have identified a deficit and therefore accept that no affordable housing contribution can be made. We note that while this is a high value development, the costs are also exceptionally high, which ultimately inhibits overall viability. We consider scheme should be subject to an open book late stage review of viability.

3.0 CONCLUSIONS AND RECOMMENDATIONS

- 3.1 We have reviewed the Financial Viability Assessment prepared by JLL on behalf of the applicant which concludes that the proposed scheme generates a residual value of -£6.7m which is approximately £42.8m below their benchmark land value of £36m. On this basis they conclude that the scheme cannot provide any affordable housing contribution.
- 3.2 JLL's conclusion are questionable as they state that the site would achieve a residual value of -£6.78m but we know that the site was purchased by the applicant for £29.5m in August 2021 and JLL highlight that the similarly sized 73-75 Avenue Road sold off-market for development at £42m. We assume that a Red Book valuation for bank lending purposes must have been prepared in order to support the purchase of the site for £29.5m, clearly if this valuation generated a value of -£6.78m the applicant would have been unable to purchase the site.
- 3.3 We have remade JLL's appraisal in order to test the appraisal against the one development certainty of the site, that it was purchased for £29.5m by the applicant. We have converted JLL's appraisal into a profit output and included the purchase price for the site from August 2021 as the land value. Otherwise using JLL's figures, this results in an output profit of -£40.8m, suggesting the development is highly loss making and undeliverable. This analysis therefore results in two possibilities:
- 1) the proposals are undeliverable and therefore do not represent a sustainable form of development,
 - 2) JLL's figures do not reflect the genuine position of the developer.
- 3.4 JLL need to justify their position and, if necessary, update their assessment based on the actual figures forecast by the developer or used in the Red Book valuation to purchase the site.

Benchmark Land Value

- 3.5 JLL have based their BLV on a stated EUV+ assessment. They have been provided with advice from Beacuham Estate regarding the values.
- 3.6 Beauchamp have provided evidence of sales from Avenue Road ranging from £13m to £24m. They state based on this evidence that they would market the subject at £30m. We note that this price does not necessarily comply with EUV, which excludes hope value, as it is stated to be the price they would market the site. JLL added a 20% landowner premium to this figure generating a benchmark land value of £36m.
- 3.7 We note that this £36m compares to the purchase price of the site of £29.5m by the applicant for redevelopment on a 100% private basis in August 2021. Clearly this purchase price suggests JLL's BLV is overstated in that it considerably exceeds the level at which the former owner was willing to sell the property i.e. there is no justification for a further incentive to sell required beyond this point, allowing that it may also have incorporated hope value.
- 3.8 We have reviewed the evidence presented and note that all of the houses sold, with the exception 53 Avenue Road, were sold with or were subsequently granted planning permission for their demolition and the construction of considerably larger units on site.

- 3.9 We note that the subject house is in an extremely poor condition and currently derelict. On a pure EUV basis we consider its value would be negligible as it is stated to be uninhabitable in the Design and Access Statement. We have sought the advice of our Cost Consultant on the cost of bringing the building back to a habitable condition. Based on BCIS we calculate a cost of c.£3m, although we consider this assessment may be optimistic.
- 3.10 The only sale identified by Beauchamp that has not been demolished after purchase was 53 Avenue Road. This is a similar size building to the subject, although on a smaller plot, and sold for £20m in April. We consider it reasonable to assume a slight premium for the subject if refurbished to reflect its larger plot. We have adopted a refurbished value of £22m.
- 3.11 After deducting refurbishment at £3m this results in a BLV of £19m. In line with NPPG, we have not attached a landowner premium to this value as we have assumed a refurbishment.

Development Value

- 3.12 The scheme includes the provision of 12x 4-bedroom townhouses.
- 3.13 We have reviewed the information provided by JLL, based on advice from Beauchamp Estates, in support of the adopted private sales values and we have also undertaken our own research into recent transactions in the local area. We are of the view that the values proposed are below current market expectations. We have suggested changes to the values proposed by JLL and Beauchamp which are outlined at Section 7 of this report. Overall, our suggested revisions result in an increase of approximately 25% on the values adopted by JLL amounting to a cash increase of c.£20.4m.
- 3.14 The proposals do not include any commercial elements or affordable housing.

Development Costs

- 3.15 Our Cost Consultant, Neil Powling, has reviewed the Cost Plan for the proposed scheme prepared by Harsbrook, dated 27th April 2022, and concludes that the costs are reasonable, albeit they represent a very high level of specification. Mr Powling's full report is attached at Appendix 1 of this assessment.
- 3.16 We note that level of specification is not something that would be fixed through the planning process. We consider our valuation reflects the specification assumptions stated however we recommend that the scheme is subject to a late stage review of viability on a fully open book basis in order to reassess against the actual costs.
- 3.17 We have reviewed the other costs outlined within the FVA and note that the additional costs are largely applied adopting industry percentage norms. While we usually accept this approach, in this case the GDV and build costs are exceptionally high on a £psf basis and we do not consider that it necessarily follows that additional costs would increase proportionally.
- 3.18 We have limited the professional fees to £100,000 per unit, compared to JLL's assumption of £460,000 per unit. We have limited the marketing and sales agent fee to £170,000 per unit. This reflects the cost included by JLL however we have not adopted their percentages despite our increase to GDV. We consider these allowances remain very high and that JLL should provide evidence to support their additional cost allowances.

- 3.19 We have accepted the legal and finance cost assumptions.
- 3.20 JLL have assumed a profit target of 17.5% on GDV. We consider this excessive for a development of 12 units and have reduced this allowance to 15% on GDV, which is at the bottom of the range identified by NPPG. We consider that, based on the site purchase price, it is likely that the applicant is working to a profit target below 15% on GDV but have sought to remain consistent with guidance.
- 3.21 We have reviewed the pre-construction and construction periods with the help of our QS, Neil Powling. We have accepted the pre-construction period but reduced the construction period to 22 months to reflect the average from the BCIS Duration Indicator.
- 3.22 JLL have adopted a sales period of 3 years which reflects 1 sale per 3 months. We accept that the proposed scheme will generate a lower sales rate than standard flatted development but we consider this rate is very low. The evidence from Hamilton Drive does suggest however that sales of such luxury housing is slow. We have nonetheless updated the sales period to 2 years reflecting 1 sale per 2 months. We note that we have allowed for a marketing and sales budget of c.£2m and we consider that at this level of outlay, the developer would expect at least this sales rate. We have not allowed for off-plan sales which may be pessimistic.

Recommendations

- 3.23 We have been remade JLL's Argus appraisal and we have applied our amendments as outlined in Section 2.
- 3.24 After these changes we identify a deficit of -£6.28m. We therefore conclude that the proposals cannot provide affordable housing.
- 3.25 We have undertaken sensitivity analysis to test the impact of 5% upward and downward changes to costs and values. We include our sensitivity analysis as follows:

Build Costs					
Sales Values	-10.00%	-5.00%	0.00%	+5.00%	+10.00%
-10.00%	-£8,666,248	-£12,126,307	-£15,594,220	-£19,069,955	-£22,545,690
-5.00%	-£4,034,420	-£7,472,362	-£10,932,421	-£14,392,480	-£17,867,173
0.00%	£574,279	-£2,854,429	-£6,283,137	-£9,738,535	-£13,198,594
+5.00%	£5,152,159	£1,754,270	-£1,674,438	-£5,103,146	-£8,544,648
+10.00%	£9,720,045	£6,322,265	£2,924,484	-£494,447	-£3,923,155

- 3.26 We note that based on our figures, the scheme would generate a surplus after a 5% reduction in costs and a 5% increase in sales values.
- 3.27 We recommend that if a policy compliant offer is not made, the scheme should be subject to a late stage review of viability in order that the viability can be assessed over the lifetime of the development. We would recommend that this assessment be on a fully open book basis and should be expanded beyond the GLA guidance on formulas to include additional costs such as professional fees, marketing, agent and legal fees as we consider that there remains significant uncertainty over these figures.

4.0 PRINCIPLES OF VIABILITY ASSESSMENT

- 4.1 Development appraisals work to derive a residual value. This approach can be represented by the formula below:

Gross Development Value - Development Costs (including Developer's Profit) = Residual Value

- 4.2 The residual value is then compared to a benchmark land value. Existing Use Value (EUV) and Alternative Use Value (AUV) are standard recognised approaches for establishing a land value as they help highlight the apparent differences between the values of the site without the benefit of the consent sought.
- 4.3 The rationale for comparing the scheme residual value with an appropriate benchmark is to identify whether it can generate sufficient money to pay a realistic price for the land whilst providing a normal level of profit for the developer. In the event that the scheme shows a deficit when compared to the benchmark figure the scheme is said to be in deficit and as such would be unlikely to proceed.
- 4.4 Development appraisals can also be constructed to include a fixed land value and fixed profit targets. If an appropriate benchmark is included as a fixed land value within a development appraisal this allows for interest to be more accurately calculated on the Benchmark Land Value, rather than on the output residual value. By including fixed profit targets as a cost within the appraisal, programmed to the end of development so as not to attract interest payments, the output represents a 'super' profit. This is the profit above target levels generated by the scheme which represents the surplus available towards planning obligations
- 4.5 This Viability Review report adheres to the RICS Professional Statement on Financial Viability in Planning: Conduct and Reporting (published May 2019). In accordance with this Statement, Section 8 below incorporates details of our Quality Standards Control & Statement on Limitation of Liability/ Publication. This report has been prepared according to the Professional Statement's requirement for objectivity and impartiality, without interference and with reference to all appropriate available sources of information. Where information has not been obtainable, we have stated this expressly in the body of the report.

5.0 BENCHMARK LAND VALUE

Viability Benchmarking

5.1 Planning Policy Guidance, published May 2019, states:

Benchmark land value should:

- *be based on existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. These may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

The evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

[...] Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).

5.2 The NPPF recognises the need to provide both land owners and developers with a competitive return. In relation to land owners this is to encourage land owners to release land for development. This is set out in PPG as follows:

To define land value for any viability assessment, a benchmark land value should be established on the basis of existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The Premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called ‘existing use value plus’ (EUV+).

5.3 The RICS Guidance Note ‘Assessing viability in planning under the National Planning Policy Framework 2019 for England’, published March 2021, supports the NPPG’s definition of Benchmark Land Value.

5.4 NPPG further defines EUV as follows:

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

- 5.5 The Mayor of London's Affordable Housing and Viability SPG published August 2017 states a clear preference for using EUV as a basis for benchmarking development as this clearly defines the uplift in value generated by the consent sought. This is evidenced through the following extract:

The Mayor considers that the 'Existing Use Value plus' (EUV) approach is usually the most appropriate approach for planning purposes. It can be used to address the need to ensure that development is sustainable in terms of the NPPF and Development Plan requirements, and in most circumstances the Mayor will expect this approach to be used.

- 5.6 Guidance indicates that the sale of any premium should reflect the circumstances of the land owner. We are of the view that where sites represent an ongoing liability to a land owner and the only means of either ending this liability or maximising site value is through securing a planning consent this should be a relevant factor when considering whether a premium is applicable. This view is corroborated in the Mayor of London's Affordable Housing and Viability SPG which states:

Premiums above EUV should be justified, reflecting the circumstances of the site. For a site which does not meet the requirements of the landowner or creates ongoing liabilities/ costs, a lower premium or no premium would be expected compared with a site occupied by profit-making businesses that require relocation. The premium could be 10 per cent to 30 per cent, but this must reflect site specific circumstances and will vary.

- 5.7 While EUV is the primary approach to defining BLV, in some circumstances an Alternative Use Value approach can be adopted. This is the value of the land for a use other than its existing use. NPPG outlines:

If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan.

[...] Plan makers can set out in which circumstances alternative uses can be used. This might include if there is evidence that the alternative use would fully comply with up to date development plan policies, if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is market demand for that use, and if there is an explanation as to why the alternative use has not been pursued.

- 5.8 The RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', published March 2021, supports the definition of AUV from NPPG and reiterates that any AUV must reflect relevant policy requirements.

- 5.9 When adopting an AUV approach, the premium to the landowner is implicit and therefore an additional landowner premium should not be added as this would be double counting.
- 5.10 NPPG and RICS guidance are clear that if refurbishment or redevelopment is necessary to realise an existing use value then this falls under the AUV provision of NPPG and no landowner premium should be added.

The Proposed Benchmark

- 5.11 The benchmark proposed by JLL for viability testing is based on an Existing Use Value approach. JLL have sought advice from Beauchamp Estates in arriving at an EUV. Beauchamp state the following within their letter attached at Appendix 3 of JLL's report:

"Finally, you requested an "existing use value" (EUV) for the double plot. Comparing with recent sales of similar plots in Avenue Road, bought for their full refurbishment/renovation opportunity; and bearing in mind that these plots have the benefit of existing on-site parking rights as well as residents parking and huge grounds; we would have no hesitation to market the existing house at £30,000,000 (subject to contract). We have a waiting list of interested parties; should this plot be remarketed this could possibly result in a 'best and final bid' scenario and hence higher sales price for the existing being achieved."

- 5.12 No further explanation of the valuation has been provided. Beauchamp have provided comparable evidence ranging from £13,000,000 - £24,000,000. JLL have provided further information as follows:

"Beauchamp have therefore provided details of various sales of comparable single family residential properties on Avenue Road between 2018 and 2022 which are also included within Appendix 3. These properties measure circa 5,200 sq ft to circa 7,500 sq ft and all are in need of refurbishment or renovation, as is the subject. Beauchamp Estates have advised that there is no difference in value between different levels of sub-market condition as all purchasers would expect to strip the comparables out completely in order to achieve a significantly higher more modern internal specification. This has been confirmed by internal discussions with our PCL residential valuation team who regularly complete loan security valuations on Avenue Road."

"The average £psf value of the sales evidence provided to us is £2,806psf. If applied to the area of the subject existing property (7,298 sq ft), this equates to a value of £20.5million. However, this does not take into account the attributes of the subject site, namely that it comprises a large double corner plot of 0.3 hectares which is considerably larger than the comparable evidence. Beauchamp have advised that, even ignoring any real development potential, the size of the plot would still be extremely attractive in terms of prestige, privacy, security and amenity to prospective purchasers and therefore there would be significant additional value associated with it when compared to comparables provided. On this basis Beauchamp Estates have provided an Existing Use Value of £30 million on the basis of the comparable evidence, in addition to the associated attributes of the site as stated above."

- 5.13 JLL have added a 20% landowner premium to the EUV resulting in a EUV+ of £36m for the subject site.

BPS Assessment of Benchmark Land Value

- 5.14 We note that JLL's EUV+ is £36m is £6.5m above the price the site was purchased for by the applicant in August 2021. While NPPG states that purchase price is not a relevant reason for failing to comply with plan policies, we do consider that it can be used as a stand back cross-check. In this case the purchase price suggests that JLL's EUV+ is overstated. It is further unclear how JLL consider a landowner premium can be justified above EUV given they conclude that the proposed development generates a residual value of -£6m on an all-private basis. NPPG states: *"The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements."*
- 5.15 The EUV+ assumed by JLL for the existing property reflects £4,933 psf. As a value £psf this reflects a premium of 239% on the average values adopted for the proposed development of £1,456 psf.
- 5.16 Taking a similar comparison between the existing and proposed values, JLL have valued the EUV+ at £36m whereas their residual valuation of the proposed scheme generates a negative residual value of -£6.81m. As outlined in our conclusions, testing JLL's appraisal with the purchase price of £29.5m as the land value, generates a loss of c.£40m. In comparison if they resold the site at JLL's stated EUV+ they would make a profit of £6.5m (gross of purchaser's costs). Based on JLL's FVA therefore it would make considerably more financial sense for the site owner to sell the property for its stated EUV+ rather than progress the proposed development. It should be explained by JLL why the developer is seeking to progress the current application on this basis.
- 5.17 JLL state that all of Beauchamp's comparables would be stripped and refurbished/renovated by incoming purchasers. However, it is not clear from JLL's report whether the comparison between the comparables and the subject property is as similar as outlined. JLL state within their FVA that the subject property is *"in a very poor condition."* We have identified a Knight Frank and Savills marketing brochure for the subject property which includes the following pictures:





Source: Savills and Knight Frank Marketing Brochure

5.18 We have also identified the following images from the current application's Design and Access Statement:





- 5.19 The above pictures corroborate JLL's statement that the property is in a very poor condition. The D&A statement is clear: *"The building on the Site has been left to fall into disrepair by the previous owners and is uninhabitable. The Site more generally appears derelict."*
- 5.20 We consider it unlikely that the property could be brought back to a habitable condition through a "strip" and "renovation" alone as Beauchamp state that the comparable evidence will require. For context we have included the following pictures and comments relating to 53 Avenue Road and 46 Avenue Road which are the only sales identified by Beauchamp that achieved £20m or above:

53 Avenue Road:



Source: Savills marketing website (<https://search.savills.com/property-detail/gbsjrssts190136>)

- 5.21 Beauchamp advise that this property sold for £20,000,000 in March 2022 and measures 7,578 sq ft generating a value of £2,639 psf.
- 5.22 Beauchamp describe this property as follows: *“A rare double fronted corner plot with phenomenal refurbishment / redevelopment potential. Although habitable, the property is in need of a complete renovation to bring it up to ‘class’ standard.*
- 5.23 We consider that this property would require significantly less renovation than the subject property based on the marketing pictures. This property is clearly kept to a very high specification whereas the subject is derelict.

- 5.24 This property is stated to have sold in April 2022 by Beauchamp however we note that it remains marketed by Savills for a price of £22,500,000.

46 Avenue Road:



Source: Knight Frank marketing brochure

- 5.25 We note that 46 Avenue Road was sold with planning permission for its demolition and rebuild to create a house with a GIA of 14,332 sq ft including a 6,970 sq ft basement. This house sold for £24m but should be more appropriately considered as a development opportunity rather than an EUV comparable noting the extant planning permission. This sale of £24,000,000 reflects a value of £3,221psm. While the property was already of a considerably better quality than the subject, it is clear from the planning history that the purchase included significant hope value, which should be excluded from an assessment of EUV in line with NPPG.

- 5.26 We have commented on the comparables that achieved below £20m as follows:

Address	Description (and Floor Area)	Date	Sale Price	Price psf
77 Avenue Road	<p>6-bed house measuring 5,199 sq ft on a 0.295 acre plot</p> <p>The property is slightly more dated than some others on Avenue Road but sold benefiting from planning consent for the demolition and replacement to provide a 15,707 sq ft property</p> <p>We note that another application was put forward after purchase broadly in line with the earlier application but to provide a larger house of 20,674 sq ft</p> <p>Clearly this purchase price included significant redevelopment hope value</p>	25/09/20	£13,000,000	£2,500
79 Avenue Road	<p>6-bed house stated to measure 5,216 sq ft</p> <p>We note that following the purchase, planning was submitted in February 2020 and accepted in September 2020 for the demolition of the existing property and redevelopment of a new residential dwelling with basement</p> <p>We have been unable to identify a floor area for the redeveloped property but it appears significantly larger, particularly noting that it includes a very large basement with a swimming pool, gym, changing rooms, massage room, sauna, hammam, entertainment room, cinema room, utility room, storage, two bedrooms with ensuites and a kitchenette</p> <p>We assume the purchase price included significant redevelopment hope value</p>	24/12/18	£13,500,000	£2,588
61 Avenue Road	<p>6-bed house stated to measure 5,628 sq ft</p> <p>The sale completed with consent, granted in May 2017, for the demolition and replacement of the existing dwelling with a new house broadly of a similar floorplate above ground but with a basement level under the new house and part of the rear garden</p> <p>As with the above property we have not identified a floor area for the proposed redevelopment however we note from the proposed floorplans that it includes significantly more space, including a large basement.</p> <p>We assume the purchase price included significant redevelopment hope value</p>	08/08/18	£17,350,000	£3,083

5.27 It can be seen that the majority of sales identified by Beauchamp were sold either with planning or subsequently the purchasers sought planning consent to demolish

the existing use and rebuild with large amounts of basement space, broadly doubling the floor area of the houses (where we have identified before and after GIAs). The Beauchamp valuation reflects this and is stated to be the price at which they would market the property. We note however that NPPG is clear that EUV should disregard hope value. We question therefore whether this valuation, comparing to sales of properties that have subsequently been demolished and rebuilt, represents a relevant basis from which to establish an appropriate EUV of the site.

- 5.28 Taking a stand back approach, we note from Google Streetview that it appears that the subject property has not been used as a dwelling since at least July 2014, although based on the condition we assume that vacancy has been for a longer period. The earliest photos available on Google Streetview from July 2014 are as follows:



- 5.29 While the foliage does not allow for a clear sight of the property, it can be seen that the gate is hoarded, as is the case in the most recent photos available. We note that in this context, it is difficult to understand why the landowner would not have sold the property earlier, noting Beauchamp's suggestion that they have a waiting list of interested parties.
- 5.30 We also note that the subject property sold for £29,500,000 in August 2021. This purchase by the applicant must be assumed to be to redevelop the site in line with the current proposals, which are not proposed on a policy compliant basis. Clearly this purchase price includes hope value for a non-policy compliant scheme and therefore cannot be an acceptable price with which to underpin EUV. However, as a cross-check it is helpful as if a sale at above this value were possible, the previous landowner would have sold on this basis. We therefore consider that £29,500,000 represents a reasonable ceiling price for the property's unrestricted market value. This being the highest value which could be ascribed to the property as distinct to an EUV which is based on the existing value of the property without redevelopment.
- 5.31 This is corroborated by the sale of 53 Avenue Road. We are advised by Beauchamp that this property sold for £20,000,000 in March 2022. We have not identified any planning applications related to this site and therefore, at this stage, the purchase appears to be based on its existing use. Beauchamp state that the property "is in need of a complete renovation to bring it up to 'class' standard". We have included

photos above which show that this property is in a significantly better condition than the subject property and we assume that any renovation of the subject would be more costly than of 53 Avenue Road, noting that it is derelict and uninhabitable.

- 5.32 We have discussed with our QS potential costs for refurbishment. We have been provided with broad potential refurbishment costs based on BCIS rates as follows:

BCIS rates:

	Mean	Median	Upper Quartile
BCIS Rehabilitation/ Conversion: 'One-off' housing detached (3 units or less)	£2,490 psm	£2,148 psm	£2,806 psm
Adjusted to Location Factor	£3,187 psm	£2,749 psm	£3,592 psm

- 5.33 This results in the following ranges of cost using BCIS data and assuming additional costs for external works and contingency:

	Mean	Median	Upper Quartile
Rehab cost £psm	£3,187	£2,749	£3,592
GIA Sq M	618	618	618
Rehab Build Cost	£2,160,922	£1,864,120	£2,435,159
Build Cost + External Works (@15%)	£2,485,060	£2,143,738	£2,800,433
Build Cost + Contingency (@10%)	£2,733,566	£2,358,112	£3,080,476

- 5.34 These broad calculations result in a range from £2.36m to £3.08m to refurbish the property back to a usable space.
- 5.35 Noting the significantly poor condition of the property and the very high level of specification that is expected to be applied to properties in this area and price range we would expect the cost to be at the upper quartile level as a minimum and likely much higher.
- 5.36 We note that with regard to 53 Avenue Road, Beauchamp state that this property is not at a 'class' level of specification. For the purposes of this assessment, we have assumed that a refurbishment cost of £3,080,476 could bring the subject property to a similar internal condition as this property currently, albeit this is based only on the publicly accessible information we have (BCIS) and we consider this assumption potentially optimistic. We expect the applicant to provide a more thorough assessment of the costs that would be required to bring the property back into use in order to justify an existing use value, as clearly in its current condition the properties pure existing use value (with no hope value) would be negligible as it is uninhabitable without significant expenditure to address these issues.
- 5.37 Noting that we consider this property may be able to reach an internal condition similar to 53 Avenue Road after refurbishment this leaves a comparison of the respective properties. We consider that 53 Avenue Road is more attractive as a building and would have more 'kerb appeal' than the subject, this is weighed against the existing property being situated on a larger plot than 53 Avenue Road which on an existing use value basis would mean a larger garden. We consider it is reasonable

to assume a slight premium to reflect this garden space, albeit on an EUV basis we would not expect this premium to reflect £10m as suggested by Beauchamp.

- 5.38 The properties are otherwise of a similar size based on the GIAs provided.
- 5.39 Noting this comparison, we suggest a refurbished EUV of £22m compared to 53 Avenue Road. We have deducted our refurbishment allowance of £3,080,000 from this refurbished value to generate a BLV of £18,920,000, say £19,000,000.
- 5.40 This assessment is based on an assessment of the property in EUV terms, therefore not reflecting hope value beyond that which would bring the property back to a usable condition. The method used relies on BCIS standard rates per metre for refurbishment which we consider may understate the required refurbishment.
- 5.41 In order to move forward the assessment of BLV on this scheme we would expect the provision of the following information:
- A clear assessment of the condition of the property and a detailed costing of its refurbishment for our review.
 - A valuation based on available evidence that was not purchased with hope value for redevelopment into considerably larger properties.
- 5.42 For the purposes of this assessment, we have adopted our calculated figure of £19m but we consider that further justification is needed to fully justify the BLV at this stage.

6.0 DEVELOPMENT VALUES

6.1 The proposed scheme is for 12 townhouses comprising the following accommodation:

Unit	No. Bedrooms	Size (sq m)	Size (sq ft)
1	4	445	4,787
2	4	410	4,412
3	4	410	4,413
4	4	457	4,914
5	4	464	4,999
6	4	419	4,506
7	4	419	4,506
8	4	463	4,979
9	4	456	4,912
10	4	410	4,413
11	4	410	4,412
12	4	445	4,787
Total		5,263	56,040

6.2 JLL outline that the site will benefit from the following residents' only amenities:

- Gym
- Changing rooms
- Spa
- Pool
- Vitality pool
- Treatment rooms

6.3 The specification and quality of the properties is outlined to be 'best in class' which is stated to be in line with the target market. It is however noted that the units will not benefit from on-site car parking. JLL state that this high specification *"will be necessary in order to achieve the £psf values advised by Beauchamp Estates, particularly as the proposed properties will not benefit from car parking."*

Private Residential Values

6.4 The 12 units are proposed to be for private sale and the values have been based on advice from Beauchamp. Beauchamp have advised that the subject units could sell at a price of £1,456 psf.

6.5 No pricing schedule has been provided by JLL or Beauchamp within the FVA.



6.6 Beauchamp have referred to "Hamilton Drive" in Eyre Road which they consider the best new build comparable townhouse scheme. This completed in 2017 and comprised ten houses with secure car parking in the basement. They outline that this development took 4 years to sell with a blended average value in the region of £1,820 psf. They consider however that the subject would sell at a discount of 20% from this development due to the lack of car parking. No evidence has been provided to support this assumed discount and Beauchamp have not provided any further detail of Hamilton Drive or a list of the achieved sales and dates. They have also not provided any further details of the units at Hamilton Drive, for example the number of bedrooms, the amenity, a comparison of the developments' locations etc.

- 6.7 Beauchamp also refer to a new build comparable on Elsworthy Rise which benefitted from underground car parking. This development comprised 5x townhouses and was first marketed in 2018. Beauchamp outline that the houses failed to sell at their initial price of £1,388 psf and so were reduced in price to £1,100 psf. They also failed to sell at this price so were rented by the developer. Beauchamp have not provided details of the rents agreed or any details related to the units.
- 6.8 With regard to their pricing Beauchamp state:
- “To achieve these prices per sq ft [£1,456 psf] in a road principally dedicated to single ‘trophy’ homes is a significant risk, especially without parking; their design and quality of delivery would need to be genuinely ‘best in class’ with all commensurate amenities required at this end of the market such as concierge, pool, gym etc. Having seen your product previously I have no doubt that you can deliver this quality of design and delivery.”*
- 6.9 We do not disagree that a high specification and amenity would be expected at the subject property. We do question the relevance of Avenue Road being described as “principally dedicated to single ‘trophy’ homes” as it is unclear why this would be considered a negative for potential purchasers. Avenue Road is considered one of the prime residential locations in London and we would expect a premium in pricing regardless of the type of housing offered and for this to be a draw for potential purchasers rather than a “risk”.
- 6.10 Overall Beauchamp paint a negative view of the sales of this development stating there is “significant risk” and outlining that other developments had failed to sell and had to be rented. This sentiment from Beauchamp, alongside JLL’s FVA conclusions that the proposed scheme would generate a negative residual value of -£6.78m, do raise questions about why the applicant would seek to bring forward this development. We question whether the risk may be overstated noting that the development is for a number of high specification townhouses in one of the premium residential roads in London.
- 6.11 We also question whether the developer may be viewing this development as a more long term income source. Noting the comments made by Beauchamp regarding the development in Elsworthy Rise and the communal amenity offering provided, we question whether the developer will seek to rent the houses in order to gain long term income. If this were the case, we would expect an updated model to be provided by JLL showing a build to rent model.
- 6.12 We have for the purposes of this assessment tested the values on the assumption that they are build for sale rather than build to rent. We request clarity on this point and if required full testing of this form of delivery, we also consider that any review mechanism should allow for the units being delivered as build to rent.
- 6.13 Beauchamp’s value would reflect the following capital values:

Unit	No. Bedrooms	Size (sq ft)	Beauchamp £psf	Beauchamp Overall Value
1	4	4,787	£1,456	£6,969,872
2	4	4,412	£1,456	£6,423,872
3	4	4,413	£1,456	£6,425,328
4	4	4,914	£1,456	£7,154,784
5	4	4,999	£1,456	£7,278,544
6	4	4,506	£1,456	£6,560,736
7	4	4,506	£1,456	£6,560,736
8	4	4,979	£1,456	£7,249,424
9	4	4,912	£1,456	£7,151,872
10	4	4,413	£1,456	£6,425,328
11	4	4,412	£1,456	£6,423,872
12	4	4,787	£1,456	£6,969,872
Average		4,670	£1,456	£6,799,520

6.14 We note that if a value of £1,820 psf were adopted in line with Hamilton Drive, this would generate an average value of c.£8.5m. Beauchamp consider that this value would be overstated for the subject due to the lack of car parking. They are therefore of the view that the lack of car parking would, in capital terms, have an impact on average of £1.7m per house or c.£20m across the whole scheme. This is a significant impact which is unevidenced.

6.15 We have identified the following 4 bedroom houses on the market within ¼ mile of the subject:

Address	Description & GIA	Sale Price	Price psf
Acacia Road, NW8 	Semi-detached 4 bedroom house 19 th century property Recently refurbished with high specification throughout Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Relatively small rear garden Off-street parking to the front 3,374 sq ft	£8,750,000	£2,593
Norfolk Road, NW8 	Semi-detached 4 bedroom house 19 th century property The interior appears fine if dated but not finished to a high specification The sale is advertised as a potential for renovation and it is noted the house has been in the same ownership for 4 decades Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Off-street parking to the front and 71ft garden to the rear 2,357 sq ft	£6,000,000	£2,546

<p>Ordnance Hill, NW8</p> 	<p>Semi-detached 4 bedroom house More modern than the above comparables identified and less desirable externally Not finished to a high specification Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Garden to the rear and off-street parking to the front Advertised with potential for loft conversion 2,052 sq ft (including loft)</p>	<p>£3,250,000 £1,584</p>
<p>King Henry Road, NW3</p> 	<p>Semi-detached 4 bedroom house More modern than the initial two houses identified and less desirable externally Dated internally Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Small paved rear garden and off-street parking to the front 2,050 sq ft</p>	<p>£2,750,000 £1,341</p>

6.16 Beauchamp's pricing is in line with the lower asking prices identified £psf. In comparing the proposed houses to these asking prices we note that the proposed development benefits from the following better aspects:

- Larger than any of the evidence
- Better on site resident's only amenity than the evidence
- Better location than the evidence (Avenue Road)
- More attractive externally than Ordnance Hill and King Henry Road
- Better specification than the evidence

6.17 The proposed developments can be considered worse than the evidence for the following reasons:


- No parking
- Potentially less character than Acacia Road and Norfolk Road

6.18 We have sought to identify sales evidence from within ¼ mile of the subject:

Address	Description & GIA	Sale Price	Price psf
20 Norfolk Road, N W8 6HG 	Semi-detached 4 bedroom house 19 th century property Recently refurbished with high specification throughout Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Relatively small rear garden Off-street parking to the front Sold 29/06/21 3,475 sq ft	£8,750,000	£2,518
30 Woronzow Road, NW8 6QE 	Semi-detached 4-bedroom house Amenity is worse than the subject with none of the amenities listed at paragraph 7.2 Relatively good specification throughout Does not appear to benefit from off-street car parking Sold 28/05/21 2,594 sq ft	£3,900,000	£1,503

6.19 The achieved priced identified show a similar position to the asking prices and are comparable in broadly the same way, being smaller with worse amenity, specification and locations. We note that Woronzow Road does not appear to have on-site parking which tallies with the proposed development.

6.20 We have sought to identify more information about Hamilton Drive, stated to be the best comparable by Beauchamp. We have identified the following current asking price from this development:

Address	Description & GIA	Sale Price	Price psf
Hamilton Drive, NW8 	Georgian style townhouse property (although newbuild) 5-bed house over 5 floors Secure underground car parking Finished to a high specification throughout with good private amenity including a gym, cinema room and small private garden Within a gated development We note that the property, and Hamilton Drive generally, is overlooked to the rear by a large ten/part eleven storey property 6,115 sq ft	£12,500,000	£2,044

- 6.21 We have searched the Land Registry and note that Hamilton Drive is listed as Eyre Road. We have not been able to identify more detail related to the properties beyond the sale price noted by the Land Registry:

Address	Date	Achieved Price
1 Eyre Road, NW8 9BQ	30/04/18	£9,730,000
3 Eyre Road, NW8 9BQ	12/06/20	£10,925,000
3 Eyre Road, NW8 9BQ	29/06/18	£11,140,000
4 Eyre Road, NW8 9BQ*	14/11/17	£11,500,000
4 Eyre Road, NW8 9BQ*	11/08/17	£12,500,000
5 Eyre Road, NW8 9BQ	08/04/20	£11,428,000
8 Eyre Road, NW8 9BQ	14/11/17	£11,500,000
9 Eyre Road, NW8 9BQ	12/03/21	£11,000,000
10 Eyre Road, NW8 9BQ	01/12/17	£11,000,000
Average		£11,191,444

*We note some uncertainty over the arms length nature of these sales noting they are dated within 3 months but with a price difference of £1m for the same property.

- 6.22 While we have not identified floor areas for the above units, we were advised by Beauchamp that the average value reflects £1,820 psf. Assuming this rate is accurate, this would result in an average unit size of 6,149 sq ft, considerably in excess of the units within the subject development.
- 6.23 Beauchamp have not provided a breakdown of the achieved sales from this development and have relied on an unsubstantiated £psf value only. We note that the above asking price property from Hamilton Drive is marketed at £2,044 (above the average identified by Beauchamp), but also measures around 1,500 sq ft larger than the average unit type from the proposed development. It is standard valuation practice to assume that larger units will achieve a lower £psf value than smaller units with all other things equal. This is also relevant from the achieved sales prices identified as these appear to be considerably larger than the proposed units.
- 6.24 We consider Hamilton Drive to be in a worse location than the subject. As noted in the table at paragraph 6.20, the houses are all overlooked to the rear by a large 10/part 11 storey building. The properties to the west of the development are also overlooked by a 5/part 6 storey building. We also note that despite being gated, the properties face directly onto the rear gardens of terraced houses along Hamilton Gardens. We include the below aerial photo taken from Google Maps to highlight these points, we have added a red line border around Hamilton Drive:



- 6.25 In comparison the proposed will be located on Avenue Road, and will be considerably more private with the only potential overlooking to the east from the single dwelling at 50 Avenue Road and the north from the single dwelling at 57 Elsworthy Road. We consider that in terms of location the subject site is superior both due to it being on Avenue Road and the fact that it will be much less overlooked than Hamilton Drive.
- 6.26 We consider that the asking price property we have identified from Hamilton Drive is superior to the proposed units in the following respects: it is larger, benefits from secure off-street parking and benefits from private amenities such as a gym and cinema room. We consider that the subject benefits from a wider array of amenities, as outlined at paragraph 7.2, albeit these are shared between all of the residents, and it is in a better location than Hamilton Drive. We would expect the subject units to be built to a similar specification to Hamilton Drive.
- 6.27 Overall we do not consider it reasonable for Beauchamp to assume an arbitrary 20% reduction from the stated average value at Hamilton Drive due to the lack of car parking, especially without presenting details of the evidence they are relying on, as it is not possible to weigh other factors such as the size of units.
- 6.28 We note that the sales from Hamilton Drive are relatively dated with the majority of achieved values from 2017-18. The Land Registry's House Price Index shows that while house prices have fluctuated slightly since the initial sale from this development (August 2017), there has been no clear upward or downward trend to suggest a significant change in values. Despite this we do note that the current asking price from Hamilton Drive shows a higher £psf value than Beauchamp outline was achieved previously.
- 6.29 We have sought to weigh the lack of parking at the subject with its comparably better location than Hamilton Drive, the smaller size of the proposed units and the better provision of amenities, albeit shared facilities. We consider that a reduction

of 20% based on just the lack of car parking does not fully account for the differences between the schemes. We would expect, if not for the car parking difference, the subject development to achieve higher value of a £psf basis than Hamilton Drive. We do accept however that a lack of off-street car parking is an issue for the proposed development.

- 6.30 With regard to the other evidence we have identified, we consider the proposed houses will be superior to all in most regards with the exception of the lack of car parking. The highest value sales and asking prices are both £8.75m for smaller houses at a lower specification with worse amenity provision, albeit with period character and car parking. Given the larger size, high specification and resident's amenity at the proposed development, we consider that an average capital value in this region is reasonable. We have adopted an average value of £8,500,000 reflecting a value of £1,820 psm. This is the same £psf value as Beauchamp advise was achieved at Hamilton Drive, which we consider broadly when weighing our comments at paragraph 7.29 above.
- 6.31 This results in an overall GDV of £102,000,000, representing an increase of c.£20m on the values adopted by JLL, representing an increase of 25%.

Parking

- 6.32 The scheme includes 2x disabled car parking spaces. We consider it reasonable not to attribute any value to these units.

Affordable Residential Values

- 6.33 The scheme is proposed without the inclusion of affordable housing and JLL have not provided any affordable housing valuations. We have therefore not sought to form a judgement regarding affordable housing values.

7.0 DEVELOPMENT COSTS

Construction Costs

- 7.1 Our Cost Consultant, Neil Powling, has analysed the Feasibility Cost Plan for the proposed scheme prepared by Harsbrook, dated 27th April 2022, and concludes that:

“The allowance for contingencies is 5% in the appraisal which we consider reasonable. There is a total provision for risk of 10% in the cost plan that has been excluded from the appraisal construction cost.

“The Applicant has not issued a summary of the costs for the Wellness Centre although costs are separated in the detailed costing; we have extracted these costs separately in our elemental analysis.

“The advice of Beauchamp Estates advising the Applicant on sales is that design and quality should be “best in class” to achieve the sales values of £1465/m² included in the Applicant’s appraisal. The allowances in the cost plan are very high resulting in the overall cost excluding contingency of £8,459/m².

“Our benchmarking of the houses results in an adjusted benchmark of £9,029/m² that compares to the Applicant’s £8,924/m². Our benchmarking of the Wellness Centre results in an adjusted benchmark of £4,319/m² that compares to the Applicant’s £4,219/m². We therefore consider the Applicant’s costs to be reasonable.”

- 7.2 Mr Powling’s full cost report can be found at Appendix 1. We have therefore accepted the costs presented by Harsbrook however our QS is clear that these costs represent the very highest specification achievable. For example, in capital terms the lifts alone cost £5,280,000 excluding any additional percentages.
- 7.3 We note that the costs included equate to £4.6m per house. We consider this an extraordinary cost and while agreed we consider this cost and the associated specification need to be tied to the pricing. We question whether, if the impact of the lack of car parking is as large as has been outlined by Beauchamp and JLL, it would be the most economically efficient model to spec the houses to the highest possible level as is proposed.

Additional Costs

- 7.4 JLL have applied the following additional cost assumptions:

- Professional fees of 10% of costs
- Marketing fees of 1% of sales values
- Sales agent fees of 1.5% of sales values
- Sales legal fees of £1,250 per unit

- 7.5 The professional fees allowance of 10% is in line with what we would usually consider reasonable as a percentage, however we note that the build costs reflect a very high specification and therefore a percentage of this cost is significant. In this case we consider the professional fees allowance reflects approximately £460,000 per house. This a very large allowance and we do not consider it follows that a higher specification building would require a directly proportional professional fees allowance compared to a lower specification building. We have recently looked at some similar sized housing developments, which we accept were in lower value locations with lower build costs £psf, where we have used a professional fees

allowance of 10%, however this reflected £22,000 - £24,000 per unit. While we accept the professional fees will increase to reflect the high level of design etc at the proposed scheme we would not expect an increase of c.20x.

- 7.6 We have reduced the professional fees allowance to provisional £100,000 per unit at this stage reflecting a total of £1,200,000 pending further evidence on this point. We consider this remains a significant professional fee allowance per unit but accept that this is a low allowance as a percentage of costs. We would expect evidence to be provided by JLL of the actual costs that are projected to be associated with professional fees to support their allowance, supported by contract information.
- 7.7 We consider that the combined marketing and agent fee presented appears reasonable as an industry standard percentage. However this does reflect a combined allowance of £170,000 per unit using JLL's figures, and £212,500 per unit applying the percentage to our updated valuation. On a stand back approach these allowances appear high. In order to reach an agreement, we have adopted JLL's allowance of £170,000 per unit but we have not updated the cost on a percentage basis against our updated GDV. We consider that any developer would expect a return for this cost through a fast sales rate. We also require evidence from JLL to support this cost and reserve the right to update our input if no such evidence can justify this rate.
- 7.8 We might expect a lower legal fee allowance, generally capped at £1,000 per unit but noting the negligible impact this change would have on viability we have adopted JLL's assumption.
- 7.9 No CIL or S106 charges have been included within JLL's appraisal. We request confirmation from the Council regarding an appropriate CIL and S106 allowance.
- 7.10 Finance has been included at a 6.5% debit rate and 1% credit rate, assuming that the scheme is 100% debt financed. We consider this finance allowance broadly reasonable, although note that there has been recent increases to the base rate.

Profit

- 7.11 The developer profit target adopted by JLL is 17.5% on GDV. We note that in this case this equates to £14.28m (£1.19m per unit) based on JLL's pricing and £17.85m (£1.49m per unit) based on our pricing. We note that while the development costs and borrowing will be high at the proposed development, the developer will only need to sell 12 units. In comparison we recently reviewed a Council led application for infill development at an existing estate (Tybalds Estate). This development included 28 private units and a profit of 17.5% on GDV was agreed, this reflected a total profit of £4.48m (£160,000 per unit). This was a complex build due to the proposals including infill and underbuild development of an existing estate. While there are higher costs associated with the proposed development, this comparison shows a stark difference in profit sought.
- 7.12 We must be led by NPPG in undertaking our review. NPPG sets a profit target range of 15-20% on GDV. For the purposes of this assessment, we have adopted a profit target of 15% on GDV. We consider that in the market we might expect developers to undercut these profit targets in order to secure land. To an extent this may explain how the applicant at this site was able to purchase the site for £29.5m when JLL assess the proposal will generate a residual land value of -£6.78m. Despite this, we accept that NPPG sets a range and we have adopted the lowest allowance from this range. Using our figures this generates a profit of £15.3m (£1.28m per unit) which still remains above the target sought in JLL's appraisal in cash terms, due to our increase in the private values.

Development Timeframes

7.13 JLL have assumed the following development timeframes:

- Pre-construction: 6 months
- Construction: 30 months
- Sales: 36 months

7.14 Our QS has provided the following advice regarding the pre-construction and construction period:

“The duration allowed in the Applicant’s appraisal comprises a pre-construction period of 6 months and a construction period of 30 months. The results determined from the BCIS duration calculation for housing estates provides an estimated average construction duration from start on site to construction completion of 96 weeks (22 months) with a 90% confidence interval for this estimate of 82 to 111 weeks (19 to 26 months). We consider the Applicant’s allowance for pre-construction reasonable. The duration for construction compared to BCIS indicates there may be scope to reduce the duration by 4 months or more.”

7.15 We have reduced the construction period to 22 months, which represents the average from available BCIS data.

7.16 The sales period assumed by JLL is stated to be based on advice from Beauchamp that a sales rate of 1 unit every 3 months is reasonable. We note that the sales evidence we have from Hamilton Drive shows that 3 units sold in H2 2017, we assume when the development completed. We consider it reasonable to assume that a faster rate of sale would be achieved at the beginning of the sales period.

7.17 Overall we consider a sales rate of 1 units per 3 months appears very slow and we consider that insufficient evidence has been provided by JLL to support this assumption. We note that the appraisal includes a marketing and agent fee allowance £170k per unit. As a budget per unit we consider this high enough to enable a very good level of marketing. We question whether the applicant would be happy to pay these amounts to achieve a sales rate of 1 unit per 3 months.

7.18 For the purposes of this assessment, we have adopted an allowance of 1 sale per 2 months resulting in a period of 24 months. We consider JLL should further justify their assumption.

8.0 AUTHOR SIGN OFF

This report is provided for the stated purpose and for the sole use of the named clients. This report may not, without written consent, be used or relied upon by any third party.

The author(s) of this report confirm that there are no conflicts of interest and measures have been put in place to prevent the risk of the potential for a conflict of interest. In accordance with the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* September 2019, this report has been prepared objectively, impartially, and with reference to all appropriate sources of information.

The following persons have been involved in the production of this report:



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BPS Chartered Surveyors

18th August 2022

Appendix 1: Build Cost Report

Project: 52 Avenue Road, Camden NW8 6HS

2022/1863/P

Independent Review of Assessment of Economic Viability

Cost Report

1 SUMMARY

- 1.1 The allowance for contingencies is 5% in the appraisal which we consider reasonable. There is a total provision for risk of 10% in the cost plan that has been excluded from the appraisal construction cost.
- 1.2 The Applicant has not issued a summary of the costs for the Wellness Centre although costs are separated in the detailed costing; we have extracted these costs separately in our elemental analysis.
- 1.3 The advice of Beauchamp Estates advising the Applicant on sales is that design and quality should be “best in class” to achieve the sales values of £1465/m² included in the Applicant’s appraisal. The allowances in the cost plan are very high resulting in the overall cost excluding contingency of £8,459/m².
- 1.4 Our benchmarking of the houses results in an adjusted benchmark of £9,029/m² that compares to the Applicant’s £8,924/m². Our benchmarking of the Wellness Centre results in an adjusted benchmark of £4,319/m² that compares to the Applicant’s £4,219/m². We therefore consider the Applicant’s costs to be reasonable.
- 1.5 The duration allowed in the Applicant’s appraisal comprises a pre-construction period of 6 months and a construction period of 30 months. The results determined from the BCIS duration calculation for housing estates provides an estimated average construction duration from start on site to construction completion of 96 weeks (22 months) with a 90% confidence interval for this estimate of 82 to 111 weeks (19 to 26 months). We consider the Applicant’s allowance for pre-construction reasonable. The duration for construction compared to BCIS indicates there may be scope to reduce the duration by 4 months or more.
- 1.6 There is a difference in the Applicant’s areas: 69,689ft² (6,474m²) in the appraisal and 6,554m² in the cost plan.

2 METHODOLOGY

- 2.1 The objective of the review of the construction cost element of the assessment of economic viability is to benchmark the Applicant's costs against RICS Building Cost Information Service (BCIS) average costs. We use BCIS costs for benchmarking because it is a national and independent database. Many companies prefer to benchmark against their own data which they often treat as confidential. Whilst this is understandable as an internal exercise, in our view it is insufficiently robust as a tool for assessing viability compared to benchmarking against BCIS. A key characteristic of benchmarking is to measure performance against external data. Whilst a company may prefer to use their own internal database, the danger is that it measures the company's own projects against others of its projects with no external test. Any inherent discrepancies will not be identified without some independent scrutiny.
- 2.2 BCIS average costs are provided at mean, median and upper quartile rates (as well as lowest, lower quartile and highest rates). We generally use mean or occasionally upper quartile for benchmarking. The outcome of the benchmarking is little affected, as BCIS levels are used as a starting point to assess the level of cost and specification enhancement in the scheme on an element-by-element basis. BCIS also provide a location factor compared to a UK mean of 100; our benchmarking exercise adjusts for the location of the scheme. BCIS Average cost information is available on a default basis which includes all historic data with a weighting for the most recent, or for a selected maximum period ranging from 5 to 40 years. We generally consider both default and maximum 5-year average prices; the latter are more likely to reflect current regulations, specification, technology and market requirements.
- 2.3 BCIS average prices are available on an overall £ per sqm and for new build work on an elemental £ per sqm basis. Rehabilitation/conversion data is available on an overall £ per sqm and on a group element basis ie. substructure, superstructure, finishings, fittings and services - but is not available on an elemental basis. A comparison of the applicants elemental costing compared to BCIS elemental benchmark costs provides a useful insight into any differences in cost. For example: planning and site location requirements may result in a higher-than-normal cost of external wall and window elements.
- 2.4 If the application scheme is for the conversion, rehabilitation or refurbishment of an existing building, greater difficulty results in checking that the costs are reasonable, and the benchmarking exercise must be undertaken with caution. The elemental split is not available from the BCIS database for rehabilitation work; the new build split may be used instead as a check for some, but certainly not all, elements. Works to existing buildings vary greatly from one building project to the next. Verification of costs is helped greatly if the cost plan is itemised in reasonable detail thus describing the content and extent of works proposed.
- 2.5 BCIS costs are available on a quarterly basis - the most recent quarters use forecast figures; the older quarters are firm. If any estimates require adjustment on a time basis, we use the BCIS all-in Tender Price Index (TPI).
- 2.6 BCIS average costs are available for different categories of buildings such as flats, houses, offices, shops, hotels, schools etc. The Applicant's cost plan should ideally keep the estimates for different categories separate to assist more accurate benchmarking. However, if the Applicant's cost plan does not distinguish different

categories, we may calculate a blended BCIS average rate for benchmarking based on the different constituent areas of the overall GIA.

- 2.7 To undertake the benchmarking, we require a cost plan prepared by the applicant; for preference in reasonable detail. Ideally the cost plan should be prepared in BCIS elements. We usually have to undertake some degree of analysis and rearrangement before the applicant's elemental costs can be compared to BCIS elemental benchmark figures. If a further level of detail is available showing the build-up to the elemental totals it facilitates the review of specification and cost allowances in determining adjustments to benchmark levels. An example might be fittings that show an allowance for kitchen fittings, bedroom wardrobes etc that is in excess of a normal BCIS benchmark allowance.
- 2.8 To assist in reviewing the estimate we require drawings and (if available) specifications. Also, any other reports that may have a bearing on the costs. These are often listed as having being used in the preparation of the estimate. If not provided we frequently download additional material from the documents made available from the planning website.
- 2.9 BCIS average prices per sqm include overheads and profit (OHP) and preliminaries costs. BCIS elemental costs include OHP but not preliminaries. Nor do average prices per sqm or elemental costs include for external services and external works costs. Demolitions and site preparation are excluded from all BCIS costs. We consider the Applicants detailed cost plan to determine what, if any, abnormal and other costs can properly be considered as reasonable. We prepare an adjusted benchmark figure allowing for any costs which we consider can reasonably be taken into account before reaching a conclusion on the applicant's cost estimate.
- 2.10 We undertake this adjusted benchmarking by determining the appropriate location adjusted BCIS average rate as a starting point for the adjustment of abnormal and enhanced costs. We review the elemental analysis of the cost plan on an element-by-element basis and compare the Applicants total to the BCIS element total. If there is a difference, and the information is available, we review the more detailed build-up of information considering the specification and rates to determine if the additional cost appears justified. If it is, then the calculation may be the difference between the cost plan elemental £/m² and the equivalent BCIS rate. We may also make a partial adjustment if in our opinion this is appropriate. The BCIS elemental rates are inclusive of OHP but exclude preliminaries. If the Applicant's costings add preliminaries and OHP at the end of the estimate (as most typically do) we add these to the adjustment amounts to provide a comparable figure to the Applicant's cost estimate. The results of the elemental analysis and BCIS benchmarking are generally issued as a PDF but upon request can be provided as an Excel spreadsheet.
- 2.11 We have considered the duration of the construction period by reference to the average duration calculation resulting from use of the BCIS Duration Calculator, and if we consider appropriate have drawn attention to any significant divergence between the Applicant's duration and the BCIS calculation. The duration is expected to be the result of a programme in appropriate detail for the stage of the project that should be prepared by a specialist in the field. We consider our experience of construction and duration sufficient for benchmarking comparisons using BCIS, but do not possess the appropriate qualifications and experience for undertaking a more detailed examination of the construction duration.

3 GENERAL REVIEW

- 3.1 We have been provided with and relied upon the Financial Viability Assessment issued by JLL May 2022 for Domvs London (Global Holding) Ltd together with at Appendix 4 the Feasibility Cost Plan issued 27th April 2022 by Harsbrook.
- 3.2 We have also downloaded a number of files from the planning web site.
- 3.3 The cost plan is on a current basis 2Q2022. Our benchmarking uses current BCIS data which is on a current tender firm price basis. The BCIS all-in Tender Price Index (TPI) for 2Q2022 is 361 (Provisional) and for 3Q2022 369 (Forecast).
- 3.4 The Architectural and Structural information used to produce the cost plan has been scheduled. There is no services information listed and the MEP Consultant is noted as "TBC".
- 3.5 The cost plan includes an allowance of 10% for preliminaries. There is no separate allowance for overheads and profit (OHP) which we assume is included in the rates. We consider the allowance reasonable.
- 3.6 The allowance for contingencies is 5% in the appraisal which we consider reasonable. There is a total provision for risk of 10% in the cost plan that has been excluded from the appraisal construction cost. All the % figures are based on a calculation of a conventional arrangement of the sums in the analysis.
- 3.7 We have extracted the cost information provided by the Applicant into a standard BCIS/NRM format to facilitate our benchmarking. The Applicant has not issued a summary of the costs for the Wellness Centre although costs are separated in the detailed costing; we have extracted these costs separately in our elemental analysis.
- 3.8 Sales have been included in the Applicant's Appraisal at average figures of £1,456/ft² (Net Sales Area).
- 3.9 The advice of Beauchamp Estates advising the Applicant on sales is that design and quality should be "best in class" to achieve the sales values of £1465/m² included in the Applicant's appraisal. The allowances in the cost plan are very high resulting in the overall cost excluding contingency of £8,459/m².
- 3.10 We have downloaded current BCIS data for benchmarking purposes including a Location Factor for Camden of 128 that has been applied in our benchmarking calculations.
- 3.11 We have adopted the same GIA used in the Applicant's cost plan; we assume this to be the GIA calculated in accordance with the RICS Code of Measurement 6th Edition 2007.
- 3.12 The development comprises 12 houses with a basement, lower ground and three floors above ground totalling 5 storeys. There is a Wellness Centre at basement level. We have benchmarked the houses as terraced houses 4 storey or above and the Wellness Centre as Gymnasia, fitness centres etc.
- 3.13 Our benchmarking of the houses results in an adjusted benchmark of £9,029/m² that compares to the Applicant's £8,924/m². Our benchmarking of the Wellness

Centre results in an adjusted benchmark of £4,319/m² that compares to the Applicant's £4,219/m². We therefore consider the Applicant's costs to be reasonable.

- 3.14 The duration allowed in the Applicant's appraisal comprises a pre-construction period of 6 months and a construction period of 30 months. The results determined from the BCIS duration calculation for housing estates provides an estimated average construction duration from start on site to construction completion of 96 weeks (22 months) with a 90% confidence interval for this estimate of 82 to 111 weeks (19 to 26 months). We consider the Applicant's allowance for pre-construction reasonable. The duration for construction compared to BCIS indicates there may be scope to reduce the duration by 4 months or more.
- 3.15 The costs included in the appraisal are consistent with the costs in the cost plan. There is a difference in the Applicant's areas: 69,689ft² (6,474m²) in the appraisal and 6,554m² in the cost plan.

BPS Chartered Surveyors

Date: 28 July 2022

52 Avenue Road, Camden NW8 6HS

Elemental analysis & BCIS benchmarking

	GIA m ²		6,554		5,906		648		Terraced housing		Gymnasia	
			Total		12 Houses		Wellness		LF100	LF128	LF100	LF128
	£	£/m ²	£	£/m ²	£	£/m ²	£	£/m ²	£/m ²	£/m ²	£/m ²	£/m ²
Demolitions	175,000	27	175,000	30								
1 Substructure	7,110,000	1,085	7,055,000	1,195	55,000	85			223	285	145	186
2A Frame									154	197	211	270
2B Upper Floors									79	101	26	33
2C Roof	1,296,000	198	1,296,000	219					131	168	136	174
2D Stairs	3,358,000	512	3,358,000	569					36	46	28	36
2E External Walls	2,887,000	440	2,887,000	489					206	264	357	457
2F Windows	915,000	140	915,000	155					108	138	54	69
E xternal doors	122,000	19	122,000	21								
2G Internal Walls & Partitions	1,760,000	269	1,656,856	281	103,144	159			75	96	136	174
2H Internal Doors	1,440,000	220	1,352,400	229	87,600	135			49	63	37	47
2 Superstructure	11,778,000	1,797	11,587,256	1,962	190,744	294			838	1,073	985	1,261
3A Wall Finishes	4,168,000	636	4,062,167	688	105,833	163			88	113	34	44
3B Floor Finishes	2,956,000	451	2,757,080	467	198,920	307			54	69	60	77
3C Ceiling Finishes	716,000	109	643,947	109	72,053	111			37	47	17	22
Decorations	1,063,000	162	1,063,000	180								
3 Internal Finishes	8,903,000	1,358	8,526,194	1,444	376,806	581			179	229	111	142
4 Fittings	7,965,000	1,215	7,892,782	1,336	72,218	111			65	83	134	172
5A Sanitary Appliances									48	61	30	38
5B Services Equipment (kitchen, laundry)									9	12		0
5C Disposal Installations									14	18	9	12
5D Water Installations	3,390,000	517	2,945,157	499	444,843	686			30	38	10	13
5E Heat Source										0		0
5F Space Heating & Air Treatment									148	189	312	399
5G Ventilating Systems, smoke extract & control									20	26	172	220
5H Electrical Installations (power, lighting, emergency lighting, standby generator, UPS)	2,768,000	422	2,522,621	427	245,379	379			87	111	212	271
5I Fuel Installations									11	14		0
5J Lift Installations										0	40	51
5K Protective Installations (fire fighting, dry & wet risers, sprinklers, lightning protection)									24	31	2	3
5L Communication Installations (burglar, panic alarm, fire alarm, cctv, door entry, public address, data cabling, tv/satellite, telecommunication systems, leak detection, induction loop)									28	36	58	74
5M Special Installations - (window cleaning, BMS, medical gas)	8,087,000	1,234	6,986,620	1,183	1,100,380	1,698			14	18		0
5N BWIC with Services	142,000	22	142,000	24					16	20	14	18
5O Management of commissioning of services												
5 Services	14,387,000	2,195	12,596,398	2,133	1,790,602	2,763			449	575	859	1,100
6A Site Works												
6B Drainage	81,000	12	81,000	14								
6C External Services												
6D Minor Building Works												
6 External Works	81,000	12	81,000	14	0	0			0	0	0	0
SUB TOTAL	50,399,000	7,690	47,913,630	8,113	2,485,370	3,835			1,754	2,245	2,234	2,860
7 Preliminaries 10%	5,040,000	769	4,791,458	811	248,542	384						
Overheads & Profit												
SUB TOTAL	55,439,000	8,459	52,705,088	8,924	2,733,912	4,219			1,754	2,245	2,234	2,860
Design Development risks												
Construction risks (Appraisal ddt this & adds 5%)	5,544,000	846		0		0						
Employer change risks												
Employer other risks												
TOTAL	60,983,000	9,305	52,705,088	8,924	2,733,912	4,219						

	9,305	8,924	4,219	
Benchmarking		5,449	3,104	
Add demolitions		30		
Add external works		14		
Add additional cost of substructure		682		
Add additional cost of roof		52		
Add additional cost of stairs		392		
Add additional cost of external walls		225		
Add additional cost of windows & ext doors		37		
Add additional cost of internal walls		185		
Add additional cost of internal doors		83		
Add additional cost of internal wall, floor & ceiling finishes		431	439	
Add additional cost of fittings		501		
Add additional cost of services		623	666	
		3,255	1,105	
Add prelims 10%		325	3,580	1,215
Total adjusted benchmark		9,029	4,319	

Appendix 2: Remade JLL Appraisal inc. Purchase Price

52-54 Avenue Road

JLL's Figures inc. actual purchase price

Output profit model

Development Appraisal
BPS Surveyors
15 August 2022

APPRAISAL SUMMARY**BPS SURVEYORS**

52-54 Avenue Road

JLL's Figures inc. actual purchase price

Output profit model

Appraisal Summary for Phase 1

Currency in £

REVENUE**Sales Valuation**

	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private residential units	12	56,040	1,456.00	6,799,520	81,594,240

NET REALISATION**81,594,240****OUTLAY****ACQUISITION COSTS**

Fixed Price		29,500,000			
Fixed Price			29,500,000	29,500,000	
Purchaser's Costs		6.80%	2,006,000	2,006,000	

CONSTRUCTION COSTS**Construction**

	ft²	Build Rate ft²	Cost	
Private residential units	69,689	795.52	55,439,000	
Contingency		5.00%	2,771,950	
				58,210,950

PROFESSIONAL FEES

Professional Fees		10.00%	5,543,900	
				5,543,900

MARKETING & LETTING

Marketing		1.00%	815,942	
				815,942

DISPOSAL FEES

Sales Agent Fee		1.50%	1,223,914	
Sales Legal Fee	12 un	1,250.00 /un	15,000	
				1,238,914

APPRAISAL SUMMARY**BPS SURVEYORS****52-54 Avenue Road****JLL's Figures inc. actual purchase price****Output profit model****FINANCE**

Debit Rate 6.500%, Credit Rate 1.000% (Nominal)

Land

6,519,853

Construction

4,940,605

Other

13,622,931

Total Finance Cost

25,083,389

TOTAL COSTS**122,399,095****PROFIT****(40,804,855)****Performance Measures**

Profit on Cost%

-33.34%

Profit on GDV%

-50.01%

Profit on NDV%

-50.01%

IRR% (without Interest)

-5.51%

Profit Erosion (finance rate 6.500)

N/A

Appendix 3: BPS Argus Appraisal

52-54 Avenue Road
BPS Appraisal

Development Appraisal
BPS Surveyors
15 August 2022

APPRAISAL SUMMARY**BPS SURVEYORS**

52-54 Avenue Road
BPS Appraisal

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private residential units	12	56,040	1,820.13	8,500,000	102,000,000

NET REALISATION**102,000,000****OUTLAY****ACQUISITION COSTS**

Fixed Price		19,000,000			
Fixed Price			19,000,000	19,000,000	
Purchasers Costs		6.80%	1,292,000	1,292,000	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Private residential units	69,689	795.52	55,439,000	
Contingency		5.00%	2,771,950	58,210,950

PROFESSIONAL FEES

Professional Fees	12 un	100,000.00 /un	1,200,000	1,200,000
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MARKETING & LETTING

Marketing and Agent Fees	12 un	170,000.00 /un	2,040,000	2,040,000
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DISPOSAL FEES

Sales Legal Fee	12 un	1,250.00 /un	15,000	15,000
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Additional Costs

APPRAISAL SUMMARY**BPS SURVEYORS****52-54 Avenue Road****BPS Appraisal**

Private Profit	15.00%	15,300,000	15,300,000
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FINANCE

Debit Rate 6.500%, Credit Rate 1.000% (Nominal)			
Land		3,169,456	
Construction		3,290,787	
Other		4,764,944	
Total Finance Cost			11,225,187

TOTAL COSTS**108,283,137****PROFIT****(6,283,137)****Performance Measures**

Profit on Cost%	-5.80%
Profit on GDV%	-6.16%
Profit on NDV%	-6.16%
IRR% (without Interest)	3.00%
Profit Erosion (finance rate 6.500)	N/A