

Maximising the supply of self-contained housing from mixed use schemes

- 3.41 Policy H2 applies to all proposals for new build non-residential development and extensions involving a significant floorspace increase. Policy H2 also applies to all non-residential uses, including hotels and other visitor accommodation and non-residential institutions. However, a mix of uses may not be sought in all circumstances, and criteria are included in the policy to guide whether a mix should be sought.
- 3.42 Policy H2 specifically seeks provision of self-contained houses and flats (Use Class C3), rather than other forms of housing, in line with the priority land-use of the Plan as set out in “Policy H1 Maximising housing supply”.

Policy H2 Maximising the supply of self-contained housing from mixed-use schemes

To support the aims of Policy H1, where non-residential development is proposed the Council will promote the inclusion of self-contained homes as part of a mix of uses.

- In all parts of the borough the Council will encourage the inclusion of self-contained homes in non-residential development.
- In the Central London Area and the town centres of Camden Town, Finchley Road/ Swiss Cottage and Kilburn High Road, where development involves additional floorspace of more than 200sqm (GIA), we will require 50% of all additional floorspace to be self-contained housing, subject to the following considerations.

In the specified areas, the Council will consider whether self-contained housing is required as part of a mix of uses taking into account:

- a. the character of the development, the site and the area;
- b. site size, and any constraints on developing the site for a mix of uses;
- c. the priority the Local Plan gives to the jewellery sector in the Hatton Garden area;
- d. whether self-contained housing would be compatible with the character and operational requirements of the proposed non-residential use and other nearby uses; and
- e. whether the development is publicly funded or serves a public purpose.

Where housing is required as part of a mix of uses, we will require self-contained housing to be provided on site, particularly where 1,000sqm (GIA) of additional floorspace or more is proposed. Where the Council is satisfied that providing on-site housing is not practical or housing would more appropriately be provided off-site, we will seek provision of housing on an alternative site nearby, or exceptionally a payment-in-lieu.

In considering whether housing should be provided on site and the most appropriate mix of housing and other uses, the Council will take into account criteria (a) to (e) and the following additional criteria:

- f. the need to add to community safety by providing an active street frontage and natural surveillance;
- g. the extent of any additional floorspace needed for an existing user;
- h. the impact of a mix of uses on the efficiency and overall quantum of development;
- i. the economics and financial viability of the development including any particular costs associated with it, having regard to any distinctive viability characteristics of particular sectors such as build-to-let housing; and
- j. whether an alternative approach could better meet the objectives of this policy and the Local Plan.

In the Central London Area and the town centres listed in this policy, where provision of self-contained housing is required but the development's provision of housing falls significantly short of the Council's 50% target due to financial viability, and there is a prospect of viability improving prior to completion, the Council will seek a deferred contingent contribution. The deferred contribution will be based on the initial shortfall and an updated assessment of viability when costs and receipts are known as far as possible.

- 3.43 Policy H1 indicates that where sites are underused or vacant, we will expect the maximum reasonable provision of housing that is compatible with any other uses needed on the site. Where it is not appropriate to develop a site entirely for housing, securing housing as part of a mixed-use scheme is another way of meeting some of our housing needs whilst also meeting other needs in the area, such as providing jobs, services and facilities. Developing a mix of uses on individual sites and across an area can also be beneficial in other ways, such as:
- reducing the need to travel between homes, jobs and services;
 - increasing community safety and security by providing a range of activities that attract people at different times during the day and evening;
 - contributing to the creation of areas that are diverse, distinctive and attractive; and
 - allowing an efficient use of land, with housing developed above those uses which benefit from direct ground floor access or a street-level frontage, such as shops.
- 3.44 Much of the borough already has a well-established mixed-use character. To support this mixed-use character and the aims of Policy H1, the Council will encourage non-residential development throughout the borough to provide a mix of uses including self-contained housing.
- 3.45 The Council has established detailed requirements for non-residential development in Camden's Central London Area and the town centres of Camden Town, Finchley Road/ Swiss Cottage and Kilburn High Road as these are the parts of the borough which have the best access to public transport, the best potential for a mix of uses, and the best prospect for the development

of housing above active street frontages. Additional housing in these locations will help provide activity and surveillance when businesses are closed, and support shops, services and local facilities. Therefore, the Council will require development schemes in Central London and these larger town centres to provide a mix of uses subject to the considerations set out in Policy H2, and will seek half of all additional floorspace as self-contained housing (in Use Class C3), such that additional floorspace in residential use matches all the additional floorspace in non-residential uses.

- 3.46 For the Central London Area and the specified town centres, Policy H2 provides distinct considerations and criteria used to determine whether a development is required to provide housing as part of a mix of uses, the type of housing required, whether the housing should be provided on site or off site, and achieving an appropriate mix of housing and other uses. The following paragraphs explain these in turn. Further details of the operation of Policy H2 are also set out in supplementary planning document Camden Planning Guidance on Housing.

Whether housing is required

- 3.47 Proposals for additional non-residential floorspace in the Central London Area and specified town centres will be required to provide housing subject to assessment against criteria (a) to (e) in Policy H2. The Council has set a threshold indicating that the requirement applies to developments adding more than 200sqm (GIA or gross internal area) on the basis of the floorspace and ancillary space required to create a single self-contained home and a single commercial unit within a mixed-use development.
- 3.48 The following are examples of proposals that would not be required to provide housing:
- the additional floorspace is 200sqm (GIA) or less;
 - the development is unable to create an acceptable level of residential amenity e.g. inadequate daylight and sunlight, or other activities nearby would cause unacceptable harm to residential amenity e.g. levels of noise and vibration;
 - the development involves an extension to an existing building (especially a listed building or a building that makes a positive contribution to a conservation area) that cannot accommodate new features necessary to support housing, such as entrances, windows, staircases and lifts;
 - the development is in the designated Hatton Garden area, where the Council's priority is to secure and protect a stock of premises for the jewellery sector and support the nationally important cluster of jewellery manufacture and trading that gives the area its special character;
 - the development involves a specialised use, such as a hospital or a research facility, which has operational requirements that prevent the inclusion of housing (e.g. 24 hour activity or a controlled environment); or
 - the development is publicly funded or serves a public purpose (such as providing transport infrastructure, land required for transport, or a dedicated

facility for an educational, medical or research institution), and the nature of the funding or facility prevents the inclusion of housing.

- 3.49 Student housing proposed in accordance with “Policy H9 Student housing” is considered to be residential floorspace and therefore the requirements of Policy H2 do not apply. The Council will not seek the inclusion of self-contained housing in such proposals unless the site has been identified for self-contained housing through a current planning permission or a development plan document (see “Policy H1 Maximising housing supply”).

The type of housing required

- 3.50 Where Policy H2 applies to development, the Council will generally seek self-contained housing (in Use Class C3). This is consistent with the Council’s concern that development of student housing may limit the availability of sites for conventional homes in Camden and the specification of self-contained housing as the priority land-use of the Local Plan in Policy H1. However, where education development is proposed to serve an institution supported by the Higher Education Funding Council for England, as an alternative to seeking self-contained housing, the Council may support a mixed-use development including student housing that serves the same institution, subject to the student housing satisfying the requirements of Policy H9.
- 3.51 To ensure that housing provided as part of a mixed use scheme contributes to meeting the targets identified in Policy H1, rather than being used as ancillary space by non-residential occupiers, the homes should be independent of other uses and have a separate access at street level or other arrangements which provide for occupation independent of any non-residential use.
- 3.52 Where self-contained housing is proposed as part of a mixed-use development, affordable housing will also be sought. “Policy H4 Maximising the supply of affordable housing” sets out when we will seek affordable housing, and the quantity and type of affordable housing we expect.

Whether the housing should be provided on-site or off-site

- 3.53 Inclusion of self-contained housing on-site as part of a mixed use development offers the best prospect for achieving the benefits set out in paragraph 3.43 and creating a complementary range of activities across an area with continuous activity and natural surveillance. Where the Council considers that provision of housing is appropriate, we will seek provision on the development site. Where development adds 1,000sqm (GIA) or more floorspace, the Council considers that it will generally be possible to achieve a significant number of homes on-site sufficient to support the stairs, lifts and circulation space needed to serve them, and will therefore particularly expect on-site provision .
- 3.54 There may be circumstances (even when the additional floorspace is 1,000sqm or more) where housing cannot practically be achieved on-site or would more appropriately be provided off-site (for example where the entire additional floorspace is needed for an existing user). Relevant considerations are set out in paragraphs 3.56 to 3.65. Where the Council considers that off-site provision is appropriate this will be secured through a planning obligation. There is intense competition for development sites in Camden, which creates a risk that no site will become available for delivery of the housing if it cannot be identified by the

time the non-residential application is determined. Consequently, the Council will normally expect the planning obligation to specify the anticipated delivery site (or sites).

- 3.55 For off-site provision, we will assess how much housing is required by looking at all sites involved in the arrangement. We will apply the 50% target to the additional floorspace added at all sites involved, taking into account the full addition to non-residential floorspace proposed at the application site, any gain or loss of non-residential floorspace arising at the site or sites where the housing will be delivered and the need to replace any existing housing lost as part of each development. Where the housing is delivered off-site, this will enable additional non-residential space to be provided at the application site, and increase the overall scale of development, so the Council will generally expect the development to deliver significantly more housing than it could provide on-site.
- 3.56 The Council will seek any off-site provision of housing on an alternative site nearby. Alternative sites must be in the borough, and will initially be sought in the same ward as the development. Where the development is south of Euston Road, and no sites are available in the same ward, the Council may consider alternative sites south of Euston Road. Where the development is north of Euston Road, if no sites are available in the same ward, the Council will subsequently seek sites in an adjacent ward to the north of Euston Road, and finally seek the nearest appropriate site to the north of Euston Road. As part of the consideration of off-site options we will explore with developers whether the housing could be delivered on Council-owned land.
- 3.57 Exceptionally, where provision of housing is required, on-site and off-site options have been thoroughly explored and it is demonstrated to the Council's satisfaction that no appropriate site is available for housing, we may accept a payment in lieu of provision, fairly and reasonably related in scale and kind to the development proposed and secured by a planning obligation.
- 3.58 More detailed information regarding the calculation of off-site provision and payments in lieu is provided in our supplementary planning document Camden Planning Guidance on housing and Camden Planning Guidance on planning obligations.

Achieving an appropriate mix of housing and other uses

- 3.59 Where housing is required as part of a mix of uses, all criteria in Policy H2, including criteria (a) to (e), will be used to help us consider the appropriate mix of housing and other uses for a site, and whether the housing should be provided on the site or elsewhere. Details of how these criteria will be applied are set out in supplementary planning document Camden Planning Guidance on housing (including the assessment of financial viability), but a number of considerations are set out below.
- 3.60 The character of an area and existing uses in the area and on the site may influence the mix of uses that is most appropriate. Residential or non-residential uses may need to be introduced into an area to add to community safety, for example by adding to the diversity and vitality of streets where there is limited activity at certain times of the day or week, or ensuring that street activity can be seen by nearby residents.

- 3.61 In some areas it may be necessary to strike a balance between the need to meet the space requirements of a particular activity or user and the priority given to housing. Many Central London activities have a national and international function and make major contributions to Camden's economy, and their needs will be given significant weight. The Council supports the institutions and activities that comprise the Knowledge Quarter in the general area of King's Cross, Euston Road and Bloomsbury such as the Wellcome Institute and the various components of the University of London, and their requirements may be foremost in particular locations.
- 3.62 The Council is committed to promoting and facilitating growth, and we will seek to ensure that the operation of Policy H2 encourages deliverable development and helps growth to take place. We will take into account the space needs of existing users and seek to ensure that they can expand without relocating. We will also consider whether a viable development requires a particular amount or layout of commercial space.
- 3.63 The Council will positively consider alternative approaches that can better deliver a supply of land for self-contained housing, for example making a site available for housing development by another organisation such as the Council or a Housing Association. The Council will also consider how proposals deliver other plan objectives and their impact on the potential to deliver a mixed-use scheme containing housing e.g. the impact of providing a new station entrance to promote public transport.
- 3.64 In negotiating the appropriate mix of uses, the Council will consider all aspects of financial viability including particular costs associated with the development and the distinctive viability characteristics of particular development sectors (such as build-to-let housing). We will generally expect submission of a financial viability appraisal to justify the mix proposed, taking account of an agreed benchmark value for the site and all costs and returns associated with residential and non-residential elements of the scheme. The Council supports transparency in decision making, and will seek the maximum reasonable disclosure of information in viability appraisals, having regard to any elements that are commercially sensitive. Where the proposed contribution to affordable housing falls significantly short of the Policy H2 target or the appraisal raises doubts about the deliverability of the development, the Council may also seek an independent verification of the appraisal funded by the developer.
- 3.65 In the Central London Area and the town centres listed in Policy H2, where provision of self-contained housing is required but financial viability constraints prevent a development from meeting the 50% housing target and there is a prospect of viability improving prior to completion, the Council will seek a deferred contingent contribution (similar to 'contingent obligations' referred to in London Plan Policy 3.12). The deferred contingent contribution will be based on the shortfall between the initial contribution and the target having regard to any uses introduced as an alternative to housing (e.g. jewellery workshops in Hatton Garden). We will seek contingent contributions from single phase and multiphase schemes, and expect financial viability to be reviewed close to substantial completion. We believe these provisions are justified by Camden's particular circumstances, notably the small size of Camden's development sites, the high rate and scale of house price rises, the unpredictability of prices

in premium locations, the potential for cost-engineering (particularly for high-specification designs) and the risk of build-cost inflation. Our supplementary planning document Camden Planning Guidance on housing provides more detailed guidance on the operation of deferred contingent contributions.