



**187 Kentish Town Road,  
London NW1**

Affordable Housing Statement

December 2013

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## Executive Summary

DS2 is instructed by Redview Properties Ltd to provide an Affordable Housing Statement in support of the application for the redevelopment of 187 Kentish Town Road, in the London Borough of Camden.

The purpose of this note is to consider the form any affordable housing obligation could take, and particularly whether on-site affordable housing is practical given a policy level of provision would only result in a single affordable housing unit, within a proposed single core development.

We have spoken to a number of the Boroughs preferred Registered Providers, and the conclusion of those discussions is that a number of the Registered Providers would be willing to accept a single Intermediate unit within the scheme, but no Registered Provider would be willing to accept a Social or Affordable Rented unit.

Based on this conclusion, and assuming the single Intermediate affordable unit is a one bed 52 sq m flat, the Applicant would also need to make a 'top up' payment in lieu of £174,900 in order to be policy compliant.

Alternatively, and should this be preferable to the Borough, the Applicant could make a policy compliant payment in lieu of £376,300 in full settlement of their affordable housing obligation.

# 1 Introduction

- 1.1 This Affordable Housing Statement has been prepared by DS2 to robustly examine the form of affordable housing obligation that the proposed scheme could reasonably offer.
- 1.2 This statement has been prepared in support of a detailed planning application which has been submitted by DP9 on behalf of Redview Properties Ltd (the “Applicant”).
- 1.3 DS2 is instructed to to consider the form any affordable housing obligation could take, and particularly whether on-site affordable housing is practical given a policy level of provision would only result in a single affordable housing unit, within a proposed single core development.
- 1.4 To inform our report we have relied upon information prepared by the following independent consultants:
  - Allies & Morison – Architects
  - DP9 – Planning consultants
- 1.5 This report has been compiled by Steve Billington, Partner of DS2.

## 2 Development Proposals

### Proposals

- 2.1 The Applicant is seeking detailed planning permission to develop the site for a high quality residential led scheme comprising 12 residential dwellings, above commercial.
- 2.2 The scheme will provide the following mix of residential units:

<b>SUMMARY OF PROPOSED RESIDENTIAL UNITS</b>						
<b>Apartment</b>	<b>Floor</b>	<b>Beds</b>	<b>Net Internal Area (NIA) Sq M</b>	<b>Net Internal Area (NIA) Sq ft</b>	<b>Gross External Area (GEA) Sq M</b>	<b>Gross External Area (GEA) Sq ft</b>
1.1	1	2	67	721		
1.2	1	2	72	775		
1.3	1	2	86	926		
1.4	1	1	52	560		
2.1	2	2	67	721		
2.2	2	2	72	775		
2.3	2	2	86	926		
2.4	2	1	52	560		
3.1	3	3	90	969		
3.2	3	S	46	495		
4.1	4	2	77	829		
4.2	4	S	43	463		
			<b>810 (including private outdoor space)</b>	<b>7761 (including private outdoor space)</b>	<b>1184</b>	<b>12744</b>

- 2.3 These have been provided by the applicant's architect and we have assumed that these have been measured in accordance with the RICS Code of Measuring Practice (6<sup>th</sup> Edition).

### 3 Planning Policy

- 3.1 The following paragraphs provide a summary review of local planning policies that guide the delivery of affordable housing.
- 3.2 Camden has an adopted Core Strategy (November 2010) that stipulates at policy CS6 that the Council's approach to affordable housing delivery is to seek 50% of the borough target for housing delivery as affordable housing, with guidelines for tenure split at 60% social rent and 40% intermediate, subject to scheme specific financial viability.
- 3.3 Camden Development Policies will apply the target with regard to a sliding scale from 10% for developments with capacity for ten dwellings to 50% for developments with capacity for fifty dwellings or more.
- 3.4 However LBC also considers that a floorspace of 1,000 sq m gross is capable of accommodating 10 family dwellings, and will expect all residential developments that would provide additional built residential floorspace of 1,000 sq m gross to make a contribution to the supply of affordable housing. In this case the development proposals are for 1,184 sq m (Gross External Area) and the Council could therefore seek a contribution.
- 3.5 The Council accepts that off-site solutions will be necessary where it is not practical to include affordable housing within a market housing development, for example where the development is relatively small (up to 3,500 sq m gross). LBC would consider a flexible approach to off-site affordable housing for schemes close to the affordable housing threshold that is between 1,000 sq m gross and approx. 3,500 sq m gross of additional housing.
- 3.6 Where the payment is in lieu of affordable housing under Development Policy DP3, calculations of the payment will proceed in accordance with CPG2 as follows:

- The capacity of the site will be assessed and be converted into a percentage target for on-site affordable housing (capacity is assessed as the number of additional homes proposed or 1 home per additional 100 sq m gross);
- The percentage target for on-site affordable housing will in turn be assessed and converted into a floorspace figure (GEA);
- The target for off-site affordable housing floorspace will be multiplied by the payment per square metre figure of £2,650.

3.7 The proposed scheme exceeds the 1,000 sq m threshold and therefore triggers a payment in lieu, providing that affordable housing is unable to be provided on site.

3.8 The proposal would be subject to the following policy compliant payment in lieu, assuming no on-site affordable housing was offered:

<b>Payments in Lieu of Affordable Housing under policy DP3</b>	
<b>Stage of Calculation</b>	<b>Output</b>
Total Floorspace Addition	= 1,184 sq m gross external area
Site Capacity	= 1,184 sq m / 100 sq m = 12 homes
Percentage target for on-site affordable housing	= 12%
Floorspace target for on-site affordable housing	= 1,184 sq m x 12% = 142 sq m
Payment-in-lieu of affordable housing	= 142 sq m x £2,650 <b>= £ 376,300</b>

## 4 On Site Affordable Housing

4.1 In order to consider whether on-site affordable housing is practical given that policy would only generate a single on-site affordable unit, and that the residential element is accessed via a single core, we have liaised with a number of the Boroughs preferred Registered Providers.

4.2 The table below summarises their feedback

<b>RP FEEDBACK</b>			
<b>Registered Provider</b>	<b>Affordable or Social Rent</b>	<b>Intermediate</b>	<b>Comment</b>
<b>Genesis Housing Group</b>	Not Interested	Not Interested	One unit of either tenure too small an opportunity
<b>Origin Housing</b>	Not Interested	Would be of interest	Affordable or Social Rent in single core not acceptable due to service charge affordability issues. Intermediate ok subject to affordability
<b>A2 Dominion</b>	Not Interested	Would be of interest	
<b>One Housing</b>	Not Interested	Would be of interest	Affordable or Social Rent in single core not acceptable due to service charge affordability issues. Intermediate ok subject to affordability.



- 4.3 The table above demonstrates that the provision of a single unit on-site would only be acceptable to the Borough's Registered Providers if it was an Intermediate unit.
- 4.4 Assuming the single on-site affordable unit was delivered as the smallest, and therefore lowest value unit proposed to assist with affordability, this would be unit 1.4, a one bed 52 sq m flat on the first floor of the proposed scheme.
- 4.5 The 'top up' payment in lieu to make up for the shortfall in area and provide a policy compliant affordable housing offer would be calculated as follows:

<b>'Top Up' Payments in Lieu of Affordable Housing under policy DP3</b>	
<b>Stage of Calculation</b>	<b>Output</b>
Floorspace target for on-site affordable housing	= 142 sq m GEA
Proposed on-site NIA	= 52 sq m NIA
Proposed on-site GEA	= 52 sq m x (1184/810) = 76 sq m GEA
Shortfall against target	= 66 sq m
Payment-in-lieu of affordable housing	= 66 sq m x £2,650 <b>= £ 174,900</b>

## 5 Conclusion

- 5.1 Discussions with the Borough's preferred Registered Providers have highlighted that whilst a number of them would be willing to accept a single Intermediate unit in the proposed scheme, none of them would accept a Social or Affordable Rented unit.
- 5.2 If the Applicant were to provide the single Intermediate affordable unit as a one bed 52 sq m flat, the Applicant would also need to make a 'top up' payment in lieu of £174,900 in order to be policy compliant.
- 5.3 Alternatively, and subject to this being preferable to the Borough, the Applicant could make a policy compliant payment in lieu of £376,300 in full settlement of their affordable housing obligation.