

# AGAR GROVE

## AFFORDABLE HOUSING

## STATEMENT

DECEMBER 2013



**Document prepared on behalf of the London  
Borough of Camden (Applicant) by:**



**Planning Consultant**

CMA Planning  
113 The Timberyard  
Drysdale Street  
London  
N1 6ND

T: 020 7749 7686  
W: [www.cma-planning.co.uk](http://www.cma-planning.co.uk)

## CONTENTS

---

<b>1.0</b>	<b>Introduction</b>	...	...	...	...	...	...	<b>1</b>
<b>2.0</b>	<b>Policy Context and Guidance</b>	...	...	...	...	...	...	<b>2</b>
<b>3.0</b>	<b>Affordable Housing Provision</b>	...	...	...	...	...	...	<b>6</b>
<b>4.0</b>	<b>Summary</b>	...	...	...	...	...	...	<b>13</b>

## 1.0 INTRODUCTION

1.1 This Affordable Housing Statement has been prepared by CMA Planning on behalf of Camden's 'Housing and Adult Social Care (HASC) Department' ("the applicant") in support of a planning application for the regeneration of the Agar Grove Estate within the London Borough of Camden.

1.2 The Agar Grove Estate project forms part of Camden's 'Community Investment Programme' (CIP) which aims to generate investment, deliver new homes and regenerate neighbourhoods. A detailed description of the application proposals is provided in the Design and Access Statement and Planning Statement which, in broad terms, comprises:

- Demolition of the existing low-rise blocks (with the exception of the children's centre) and comprehensive refurbishment of Lulworth House
- Creation of 493 new homes (net increase of 244 units) including a mix of social rent, shared-ownership and private units designed to meet current housing needs and space standards (including a single decant for the majority of existing tenants)
- Replacement community and retail facilities along with new small-scale business space; and
- Landscaped open and amenity spaces to support the development and contribute towards the creation of a high-quality environment.

1.3 A key driver to the project is the delivery of high-quality new homes to meet the housing needs of existing Estate residents as well as contributing towards the overall housing stock of the borough. Within this Statement we set out the policy context within which the project should be considered along with a detailed overview of the affordable housing element of the proposals.

## 2.0 POLICY CONTEXT AND GUIDANCE

### **National Planning Policy Framework (NPPF)**

- 2.0 The National Planning Policy Framework (NPPF) was published in March 2012 and forms a key part of the Government's reforms to make the planning system less complex and more accessible, to protect the environment and to promote sustainable growth.
- 2.1 At the heart of the NPPF is a presumption in favour of sustainable development which is identified as a golden thread running through both the plan-making and decision making process.
- 2.2 In terms of new housing the NPPF makes it clear that LPA's need to meet the 'full, objectively assessed needs for market and affordable housing' and that they should plan for five years' worth of housing including an additional buffer of 5% (or 20% for authorities with a record of under-delivery) to ensure choice and competition in the market for housing land (para. 47).
- 2.3 Para. 49 of the NPPF states that 'housing applications should be considered in the context of the presumption in favour of sustainable development'.
- 2.4 Para. 50 of the NPPF states that in order to deliver a wide choice of high-quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities local planning authorities should
- plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);
  - identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and
  - where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing

stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

### **The London Plan (2011)**

- 2.5 *Policy 3.9 – Mixed and Balanced Communities:* Sets out the Mayor’s strategic objective to secure communities mixed and balanced by tenure and household income in order to foster social diversity, redress social exclusion and strengthen communities’ sense of responsibility for, and identity with, their neighbourhoods.
- 2.6 In order to achieve this aim the policy seeks a more balanced mix of tenures in all parts of London, particularly in some neighbourhoods where social renting predominates and there are concentrations of deprivation.
- 2.7 *Policy 3.10 – Definition of Affordable Housing:* Sets the Mayor’s definition of affordable housing as including social rented and intermediate accommodation provided to specified eligible households whose needs are not met by the market. Recently published minor alterations to the London Plan include ‘affordable rented housing’ within this definition.
- 2.8 *Policy 3.11 – Affordable Housing Targets:* Sets out the Mayor’s strategic target that at least 13,200 more affordable homes per year in London over the term of the Plan. The policy sets a strategic tenure split of 60% rented and 40% intermediate housing along with a priority of delivering affordable family housing.
- 2.9 *Policy 3.12 – Negotiating Affordable Housing on Individual Private Residential and Mixed Use Schemes:* States that the maximum reasonable amount of affordable housing should be sought when negotiating on individual schemes. Negotiations should take account individual circumstances including: the need to encourage rather than restrain development; the need promote mixed and balanced communities; and the specific circumstances of an individual site.
- 2.10 *Policy 3.14 – Existing Housing:* Sets out the Mayor’s strategic objective of maintaining and enhancing the condition and quality of London’s housing stock. In decision making the loss of housing, including affordable housing, should be resisted

unless the housing is replaced at existing or higher densities with at least equivalent floorspace.

- 2.11 The written justification for this policy notes that estate renewal should take into account the regeneration benefits to the local community, the proportion of affordable housing in the surrounding area, and the amount of affordable housing to be provided elsewhere in the borough. Where redevelopment of affordable housing is proposed, it should not be permitted unless it is replaced by better quality accommodation, providing at least an equivalent floorspace of affordable housing.
- 2.12 *Policy 3.15 – Co-ordination of Housing Development and Investment:* States that boroughs should ensure that the implementation of the Mayor's long-term strategic housing policies are informed by, and integrated with, the short to medium term horizon provided by the own programmes and those of other relevant agencies.

#### **The Camden Core Strategy (2010)**

- 2.13 *Policy CS6 – Providing Quality Homes:* This sets out the Council's strategic policy context for the provision of affordable housing and states that the Council will seek the maximum reasonable amount of affordable housing under the specific circumstances of the site including the financial viability of the development.

#### **Camden Development Policies (2010)**

- 2.14 *Policy DP3 – Contributions to the supply of affordable housing :* States that the Council will negotiate to seek the maximum reasonable amount of affordable housing on the basis of an affordable housing target of 50% of the total addition to housing floorspace having regard to: access to public transport, workplaces, shops, services and community infrastructure; the character of the development, the site and the area; site size and constraints; the economics and financial viability of the development; the impact on creation of mixed and inclusive communities; and any other relevant planning objective for the site.
- 2.15 In terms of development economics / viability the supporting text notes that in negotiating an affordable housing contribution the Council will consider the full

range of costs associated with a development with the submission of a financial viability appraisal where a scheme is not able to meet affordable housing targets.

**Camden Planning Guidance: Housing (September 2013)**

- 2.16 CPG2: Housing provides further guidance on the Council's affordable housing policies and how they will be applied in the decision making process.
- 2.17 Para. 2.35 of the Guidance states then when negotiating on individual schemes the Council will calculate the proportion of housing in each category (market / social rent / intermediate) in terms of floorspace. Following on from this para. 2.36 explains that calculations of the capacity of the site are based on gross floorspace (GEA), including common areas; however, once the GEA has been used to identify the target percentage, it is generally more appropriate to use net internal floorspace when considering the split between tenures.
- 2.18 Para. 2.37 re-affirms the policies set out in CS6 and DP3 that the Council will consider many other characteristics of the development, the site and the area when negotiating the proportion of affordable housing in specific schemes, including seeking a mixture of tenures in each part of the borough, having regard to any social problems arising from existing concentrations of a single tenure and other planning objectives considered to be a priority of the site.
- 2.19 CPG2 reflects the guidelines set out in CS6 and DP3 of 60% social rent and 40% intermediate affordable housing for negotiations on the nature of affordable housing and notes that this guidance will be applied flexibly taking into account the specific circumstances of individual proposals.
- 2.20 In terms of dwelling mix CPG2 notes that for social rented housing the Council will prioritise all dwellings with two or more bedrooms but the highest priority for social rented units with four bedrooms or more. For intermediate housing the Council will prioritise dwellings of all size but will give higher priority to dwellings with two bedrooms or more.



### 3.0 AFFORDABLE HOUSING PROVISION

3.0 The Agar Grove Estate is home to a stable and cohesive community including many households who have lived there for a number of years and are established in the area. However, despite being a popular place to live, the existing stock suffers from a number of problems ranging from physical defects to the size, type and quality of accommodation relative to housing needs.

3.1 Housing is identified as the priority land use of the Camden Local Development Framework (LDF) and the Core Strategy identifies the need to maximise the supply of additional housing to meet, or exceed, the target of 8,925 homes from 2010-2025, including a borough-wide target that 50% of new homes are provided as affordable housing.

3.2 As set out in the policy section above the Council takes into account a range of factors when negotiating the quantum and type of affordable housing within individual proposals including: the character of the development, the site and the area; site size and constraints; the economics and financial viability of the development; and the impact on creation of mixed and inclusive communities.

3.3 As an estate regeneration project which forms part of the Council's 'Community Investment Programme' (CIP) the quantum and mix of affordable housing within the application proposals has been determined by the following factors:

(1) **NEED TO RE-PROVIDE EXISTING AFFORDABLE HOMES:** This is a policy requirements and a fundamental principle of the scheme. Furthermore, the new affordable accommodation has to:

Meet the current housing needs of Estate residents: The Council has undertaken extensive consultation with existing residents in order to establish their current housing needs and this has been used as the brief for the number and type of units within the socially rented element of the scheme.

In addition, the mix of units within the intermediate housing has, in part, been determined in order to create the opportunity for existing leaseholders to buy-back into the development as shared ownership occupiers.

In overall terms the proposals will result in a significant increase in affordable housing measured on a floorspace basis as well as significantly improving the quality of affordable homes for the community.

Meet the Council's aspirations for rent levels: The proposed accommodation will be rented as social rented housing in accordance with the Council's Local Letting Policy.

Meet current space standards: The existing units on the Estate fall below current space standards as set out in the London Plan and the internal configuration of many units results in a poor overall standard of accommodation.

The proposed units all meet or exceed the space standards set out in the London Plan and have been designed in accordance with the 'London Housing Design Guide', the Mayor's 'Housing SPG' and Camden's housing guidance.

Be designed to enable a single de-cant for residents as far as possible: In order to ensure the existing community is not fragmented by the redevelopment the proposals have been designed to enable the majority of existing residents to remain on site during the construction phase and move to their new home in a single de-cant.

These factors place a considerable financial, physical and logistical burden on the scheme above and beyond a "normal" development which has informed the final quantum and mix of affordable housing in the scheme.

(2) **CREATING A MIXED AND BALANCED COMMUNITY:** The Agar Grove Estate currently comprises predominantly affordable housing (circa. 85% on a unit basis) and so has limited tenure diversity.

The proposed redevelopment provides the opportunity to create a more balanced split of affordable and market housing within an integrated

development which will contribute towards a more mixed and cohesive community.

- (3) **VIABILITY:** Whilst being delivered by the Council the project must be viable taking into account the current economic conditions and the funding climate within which the proposals are being delivered. Specifically, the project is being bought forward as part of the Council's wider CIP which seeks to improve the housing and social and community infrastructure at a time of extensive cuts in Government capital funding.

A detailed 'Viability Assessment' is submitted as part of the application on a confidential basis which sets out the econometrics of scheme taking into account the costs and values associated with achieving the Council's strategic housing and regeneration objectives.

As set out in the Assessment the application proposals are able to deliver a greater proportion of affordable housing as a 'Council's-own development' compared to a private developer-led approach where land-value and developers profit would reduce the quantum of affordable homes the development would be able to support.

- 3.4 As illustrated in Table 1 below the Agar Grove Estate currently comprises 249 units<sup>1</sup> of which 212 are affordable.
- 3.5 The application proposals will deliver a total of 493 new homes of which 253 are affordable which equates to 51.5% affordable provision on a unit basis or 56% on a habitable room basis. When measured in terms of floorspace the proposals will deliver a total of 36,761sqm of housing of which 52% will be affordable.

<b>Table 1: Breakdown of existing and proposed accommodation</b>			
<b>TENURE</b>	<b>EXISTING UNITS</b>	<b>EXISTING HAB ROOMS</b>	<b>EXISTING FLOORSPACE (SQM) (NIA)</b>
Social rent	210 (84%)	657	12,151 (83%)
Intermediate	2 (1%)	8	130 (%1)
Market	37 (15%)	132	2,309(16%)
<b>TOTAL</b>	<b>249</b>	<b>797</b>	<b>14,590</b>
<b>TENURE</b>	<b>PROPOSED UNITS</b>	<b>PROPOSED HAB ROOMS</b>	<b>PROPOSED FLOORSPACE (SQM) (NIA)</b>
Social rent	216 (44%)	699 (50%)	16,767 (46%)
Intermediate	37 (7.5%)	88 (6%)	2,336 (6%)
Market	240 (48.5%)	607 (44%)	17,678 (48%)
<b>TOTAL</b>	<b>493</b>	<b>1394</b>	<b>36,781</b>

- 3.6 In terms of tenure split the proposed affordable housing comprises 85% social rent and 15% intermediate housing when measured on a unit basis.
- 3.7 It is recognised that this does not accord with the 60:40 tenure split target set out in the London Plan and CS6; however, this is a function of the need to provide replacement social rented accommodation to meet the housing needs of existing residents along with sufficient market housing to cross-subsidise the development.
- 3.8 Furthermore, the LDF acknowledges that these guidelines will be applied flexibly taking into account the wider policy considerations set out in DP3 and, in particular, for schemes led by affordable housing as is the case with the application proposals. Notwithstanding, the Agar Grove proposals will result in an absolute up-lift in all forms of affordable housing and a greater diversity of tenure than currently exists within the Estate.

<sup>1</sup> Two of the existing social rent units are being occupied as a single dwelling and are reported as a single unit for the purpose of the accommodation schedules set out in this report.

- 3.9 In terms of up-lift in affordable housing units the site currently provides 210 social rented units and 2 intermediate units. The application proposals will deliver 216 units for social rent and 37 intermediate units which represents an up-lift of 41 units, or an increase of just under 20%, in terms of the total number of affordable units on the site.
- 3.10 In terms of up-lift in affordable housing floorspace the site currently provides 12,151sqm of social rented floorspace and 130sqm of intermediate housing floorspace. The application proposals will deliver 16,767sqm of social rented floorspace and 2,336sqm of intermediate housing floorspace which represents an up-lift of 6,822sqm, or an increase of 55%, in terms of the total affordable floorspace on the site.
- 3.11 In terms of mix Table 2 below provide an overview of the existing and proposed accommodation by unit type and floorspace to illustrate where the change in affordable housing provision is taking place.
- 3.12 As noted above the dwelling mix within the affordable element of the scheme has been driven by the housing needs of existing residents on the Estate although it can be seen that in relative terms the greatest increase in affordable accommodation will take place in the one bedroom element (56%) followed by the three and four bedroom element (35%) of the scheme.

<b>Table 2: Comparison of existing and proposed accommodation</b>			
<b>NUMBER OF BEDS</b>	<b>EXISTING AFFORDABLE (Units)</b>	<b>PROPOSED AFFORDABLE (Units)</b>	<b>UP-LIFT (Units)</b>
Studio	16	1	-15
One bed	27	93	+66
Two bed	97	94	-3
Three bed	57	40	-17
Four bed	14	25	+11
Other	1	0	-1
<b>TOTAL</b>	<b>210</b>	<b>253</b>	<b>+43</b>
<b>NUMBER OF BEDS</b>	<b>EXISTING AFFORDABLE (Floorspace) (NIA)</b>	<b>PROPOSED AFFORDABLE (Floorspace) (NIA)</b>	<b>UP-LIFT (Floorspace) (NIA)</b>
Studio	448	44	-404
One bed	1,303	4,573	+3,270
Two bed	5,665	7,315	+1,650
Three bed	3,665	4,231	+566
Four bed	1,070	2,940	+1,870
Other	130	0	-130
<b>TOTAL</b>	<b>12,281</b>	<b>19,103</b>	<b>+6,822</b>

<b>Table 3: Breakdown of accommodation by unit type and floorspace</b>						
<b>NUMBER OF BEDS</b>	<b>EXISTING SOCIAL RENT (Units)</b>	<b>PROPOSED SOCIAL RENT (Units)</b>	<b>UP-LIFT</b>	<b>EXISTING INTERMEDIATE (Units)</b>	<b>PROPOSED INTERMEDIATE (Units)</b>	<b>UP-LIFT</b>
Studio	16	0	-16	0	1	+1
One bed	27	72	+45	0	21	+21
Two bed	97	79	-18	0	15	+15
Three bed	55	40	-15	2	0	-2
Four bed	14	25	+11	0	0	-
Other	1	0	-1	0	0	-
<b>TOTAL</b>	<b>210</b>	<b>216</b>	<b>+6</b>	<b>2</b>	<b>37</b>	<b>+35</b>
<b>NUMBER OF BEDS</b>	<b>EXISTING SOCIAL RENT (Floorspace) (NIA)</b>	<b>PROPOSED SOCIAL RENT (Floorspace) (NIA)</b>	<b>UP-LIFT</b>	<b>EXISTING INTERMEDIATE (Floorspace) (NIA)</b>	<b>PROPOSED INTERMEDIATE (Floorspace) (NIA)</b>	<b>UP-LIFT</b>
Studio	448	0	-448	0	44	+44
One bed	1,303	3,350	+2,047	0	1,223	+1,223
Two bed	5,665	6,246	+581	0	1,069	+1,069
Three bed	3,535	4,231	+696	130	0	-130
Four bed	1,070	2,940	+1,870	0	0	-
Other	130	0	-130	0	0	-
<b>TOTAL</b>	<b>12,151</b>	<b>16,767</b>	<b>+4,616</b>	<b>130</b>	<b>2,336</b>	<b>+2,206</b>

3.13 As noted above, the application proposals will deliver 51.5% affordable housing on a unit basis, or 52% on a floorspace basis (NIA) which accords with the policy objectives set out in CS6 and DP3. However, it is also necessary to consider the quantum of affordable housing in the context of the 'total addition to housing floorspace' taking into account the existing housing floorspace being replaced.

3.14 As set out in Table 3 below the affordable housing component represents 31% of the total additional to housing floorspace at Agar Grove and, whilst this falls below the 50% policy target, is considered appropriate given: the overall proportion of affordable housing within the scheme; the housing needs requirements of the scheme; and viability considerations.

<b>Table 4: Up-lift in floorspace by tenure</b>			
<b>TENURE</b>	<b>EXISTING FLOORSPACE (NIA) / %</b>	<b>PROPOSED TOTAL FLOORSPACE (NIA) / %</b>	<b>UP-LIFT TOTAL FLOORSPACE (NIA) / %</b>
Market	2,309 (16%)	17,678 (48%)	15,369 (69%)
Affordable (social rent and intermediate)	12,281 (84%)	19,103 (52%)	6,822(31%)
<b>TOTAL</b>	<b>14,590 (100%)</b>	<b>36,781 (100%)</b>	<b>22,191 (100%)</b>

## 4.0 SUMMARY

4.0 The Agar Grove Estate project forms a key part of the Council's 'Community Investment Programme' and the overarching objective of the re-development is to deliver high-quality new homes to meet the housing needs of existing residents of the Estate.

4.1 The application proposals have been developed in the context of planning policies set out in The London Plan and the Camden LDF which seek to secure the maximum reasonable amount of affordable housing taking into account the specific circumstances of each development.

4.2 In this instance the quantum, type and mix of affordable housing within the application proposals has been informed by:

- (i) the need to provide replacement affordable housing to meet the needs of existing residents and to modern standards;
- (ii) the desire to create a better tenure mix that will contribute towards a more mixed and cohesive community; and
- (iii) viability considerations in the context of the Council's wider CIP and lack of Government capital funding.

4.3 Notwithstanding these constraints and challenges the application proposals respond positively to the relevant planning policy considerations and will deliver:

- 253 high-quality new affordable homes which represents 52% of the total residential accommodation within the scheme on a floorspace basis or 56% on a habitable room basis;
- An increase in affordable housing floorspace of 55%;
- A mix of units which is designed to meet the housing needs of the existing residents and configured to enable a single de-cant wherever possible;
- The introduction of intermediate and market units to enhance tenure diversity and help cross-subsidize the new affordable homes; and
- 31% of the total up-lift of housing floorspace as affordable homes.



- 4.4 When taking into account the wider housing and regeneration objectives of the project along with the viability constraints of bringing forward the development the application proposals are considered to comply with the relevant planning policy requirements set out in the London Plan and Camden LDF.