



KINGS COLLEGE LONDON,  
HAMPSTEAD RESIDENCE,  
KIDDERPORE AVENUE, NW3

AFFORDABLE HOUSING  
STATEMENT (AHS)

2 July 2015

OUR REF: Q50560

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# 1 INTRODUCTION

- 1.1 This Affordable Housing Statement ('AHS') has been prepared in support of a full planning application to be submitted to the London Borough of Camden ('LBC') on behalf of Mount Anvil and Kings College London ('the Applicant') in respect of King's College London, Hampstead Residence, Kidderpore Avenue, London, NW3 ('the Application Site').
- 1.2 The application seeks planning permission for a comprehensive redevelopment and enhancement of the application site to provide 156 residential dwellings ('the Application'). This document outlines the approach taken by the Applicant in determining the amount and nature of the affordable housing contribution the scheme can support having regard to the scheme specific constraints alongside the wider planning requirements.
- 1.3 The application site is particularly challenging as a result of site specific circumstances including the Grade II listed status of the Maynard Wing, Skeel Library, Kidderpore Hall, the Chapel and the Summerhouse. It therefore requires policy priorities for affordable housing delivery to be balanced alongside delivery of other planning objectives. It is understood that affordable housing is a policy priority for the Council and this is reflected in the approach set out within this statement.
- 1.4 This report is informed by a separate viability assessment which will be made available on a confidential basis for review by the Council's independent assessor. The viability assessment enables the Council to determine the application in the confidence that the contribution to affordable housing enabled by the scheme represents the maximum reasonable in accordance with planning policy.
- 1.5 The AHS should be read and considered alongside a number of other documents including, but not limited to, the Planning Statement and the Design and Access Statement. A full list of the application documents is set out in the Planning Statement.

## 2 APPLICATION OVERVIEW

### a) The Application Site

- 2.1 The application Site is located in the London Borough of Camden. The site contains the Hampstead Residence of King’s College London (KCL). The lawful use is student accommodation. KCL has re-provided the student accommodation elsewhere.
- 2.2 The site extends to approximately 1.22 hectares and comprises ten buildings of which five are Grade II listed (Maynard Wing; Skeel Library; Kidderpore Hall; the Chapel; the Summerhouse). Figure 1 below identifies the extent of the Site and the location of the buildings.

Figure 1.0 – Aerial Site Plan (Source: Mount Anvil)



- 2.3 The Site is within the Redington and Frognal Conservation Area and part of the site is identified as a Site of Importance for Nature Conservation. Planning permission (ref: 95500757R3) was granted on 9 September 1997 to provide 87 new student rooms within the red line boundary of this planning application. A Certificate of Lawfulness was issued by the Council on 13<sup>th</sup> June 2014 to confirm the development had been commenced and the permission therefore remains extant.

**b) Development proposals**

2.4 The description of development for the Application is as follows:

*“The creation of up to 156 residential dwellings by way of the conversion and refurbishment of four statutorily listed buildings: Kidderpore Hall, Maynard Hall, Skeel Library and The Chapel; the conversion and extension of three other buildings: Bay House, Dudin Brown Hall and Lady Chapman Hall; the demolition of three non-listed buildings and their replacement with three new buildings (Lord Cameron Hall, Rosalind Franklin Hall and Queen Mother’s Hall), and the construction of new buildings within the grounds. The relocation and restoration of one statutorily listed building within the site: The Summerhouse; associated residents’ facilities; associated hard and soft landscaping works including the removal of trees; the construction of a double storey basement including car and cycle parking and plant.”*

2.5 This Proposal is for a residential scheme consisting of a comprehensive redevelopment and enhancement of the Site to provide 156 residential units. 57 of the proposed units will be provided in the existing listed buildings which will be sensitively retained and refurbished. In addition there will be 3 new apartment buildings that will replace the existing buildings, 8 townhouses and 3 pavilions. A double storey basement will be constructed under the central courtyard to provide approximately 97 car parking spaces along with 328 cycle parking spaces.

2.6 The table below provides the overall mix of homes proposed.

Type	Units
1 Bed	52
2 Bed	72
3 Bed	23
4 Bed	9
5 Bed +	1
<b>Total</b>	<b>156</b>

2.7 The scheme design has evolved through a design process which has been informed by the site-specific circumstances, including the Grade II listed status of five buildings, the significance of the Redington and Frogna Conservation Area. These constraints have cost and design implications which directly impact scheme viability making delivery of this site more challenging financially.

2.8 Further details relating to the site location, planning history, and details of the application proposals are set out in the Planning Statement and the Design and Access Statement.

## 3 HOUSING NEED CONTEXT

### a) Housing Context

- 3.1 The London Borough of Camden, geographically situated in Inner London, is a large borough covering 22 square kilometres (11 square miles) and stretching north from Central London. The local areas and communities are very different in character and there is a continuing need to plan and cater for different housing needs across the different areas of the borough.
- 3.2 The ONS mid 2013 residential population estimate confirms that 229,700 people currently live in the borough and Camden's population is forecast to increase by 22,600 (9.8%) between 2014 and 2029. Camden has a relatively young population, with a concentration of people (73%) in the working ages (16- 59/64). Camden is also home to the largest student population in London (more than 25,000).
- 3.3 Camden has a small average household size (2.18 persons per household) compared to England and Wales as a whole (2.36) and the number of single person households is growing among both younger and older people. Camden also has a high proportion of people live in rented accommodation.
- 3.4 Whilst Camden has had a good recent record of overall housing delivery the London Plan 2013/14 AMR confirms that the large majority of homes provided in 2013/14 were non-conventional (i.e. student/ hostels/ HMOs). The 2013/14 London Plan target for self-contained homes in Camden (500 units) was not achieved (401 units delivered).

### b) Objectively Assessed Housing Need

- 3.5 The London Strategic Housing Market Assessment (SHMA) (2013) has identified an annual requirement for in excess of 48,841 new homes to be delivered across London.
- 3.6 In terms of Affordable homes, the London SHMA (2013) indicates a London-Wide annual requirement of 15,772 Social/ Affordable Rented Homes and 9,902 Intermediate Homes, an estimate which is derived by comparing income distribution to the costs of social and private renting. In practice, this intermediate requirement could be met in full by the provision of dedicated intermediate housing such as low-cost home ownership but part of it could also be met by buildings enough market housing to reduce prices and rents in real terms.



- 3.7 Camden's most recent assessment of housing need, in 2008, found that an additional 4,787 affordable homes a year over a five year period would be required to meet current and newly arising need. It highlighted the ability of over half of households in need of affordable housing to cover the costs of intermediate, rather than social rented, housing.
- 3.8 It also found overcrowding to be the commonest factor making households' accommodation unsuitable. It identified 5,540 overcrowded households, 5.7% of all households and 46.5% of those in unsuitable accommodation.

## 4 PLANNING POLICY CONTEXT

### a) National Policy

- 4.1 The National Planning Policy Framework (NPPF), published in March 2012, provides the national context for affordable housing delivery and sets out Central Government's housing policy objectives. The NPPF is a material consideration in the determination of all planning applications.
- 4.2 The core message in respect of housing provision is to deliver a significant boost in supply of deliverable opportunities for providing high quality homes. The NPPF advocates that policies for the delivery of affordable housing should be responsive to evidence of need and remain sufficiently flexible to take into account changing market conditions.
- 4.3 Local authorities continue to be required to consider scheme viability in establishing an appropriate affordable housing contribution on a site-by-site basis. Paragraph 173 emphasises the need for development which is both viable and deliverable. The balance of contributions whether affordable housing, infrastructure contributions or other requirements must be considered in the context of the normal costs of undertaking development including providing competitive returns to both the landowner and developer. Paragraph 205 emphasises that this balancing of contributions must be sufficiently flexible to avoid a development opportunity being stalled.
- 4.4 The emphasis in the NPPF on securing development which is viable and therefore deliverable is further underlined by the provisions of the Growth and Infrastructure Act which inserts new sections into the 1990 Town and Country Planning Act (S106BA/BC). These provide a framework for existing planning obligations relating to affordable housing to be modified where they are identified and evidenced as constraining a development.
- 4.5 The delivery of affordable housing is therefore a material consideration but one which must be very carefully balanced with the wider growth objectives of the NPPF and the particular site costs associated with bringing forward development to ensure a continued supply of residential properties.
- 4.6 On 6th March 2014 the Department for Communities and Local Government (DCLG) published its National Planning Policy Guidance (NPPG). The NPPG superseded most circulars and guidance notes and also contains relevant advice on the approach to housing delivery. The NPPG makes clear that



(Reference ID: 10-001-20140306) ‘where the viability of a development is in question, local planning authorities should look to be flexible in applying policy requirements wherever possible’. This reinforces the position of the NPPF that viability is a key consideration in the plan-making and decision-taking process and the deliverability of development.

- 4.7 The NPPG also provides guidance on a national requirement, introduced through a Written Ministerial Statement dated 28 November 2014, for planning authorities to offer developers a Vacant Building Credit (VBC) which is defined in the NPPG (Reference ID: 23b-021-20150326) as “a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought”.

**b) Regional Policy**

- 4.8 The London Plan, published with alterations in March 2015, provides the overarching strategic planning framework for all London Boroughs.
- 4.9 The London Plan identifies the Mayor’s requirement to maximise housing including affordable housing output and sets out a clear expectation for developers to make the most effective use of available resources to achieve this objective.
- 4.10 Policy 3.3 (Increasing Housing Supply) states that the Mayor recognises the ‘pressing need’ for more homes in London. It sets London an annual target of 42,000 net additional homes of which 889 should be delivered in LB Camden.
- 4.11 Policy 3.11 (Affordable Housing Targets) targets 60% of new affordable provision as social rent and 40% as intermediate accommodation.
- 4.12 Part A of policy 3.12 (Negotiating Affordable Housing) requires local planning authorities to seek the maximum reasonable amount of affordable housing on private residential and mixed use schemes, having regard to, inter alia: the need to encourage rather than restrain residential development; the need to promote mixed and balanced communities; the size and type of affordable housing needed in particular locations; the specific circumstances of individual sites; resources available to fund affordable housing to maximise affordable housing output; and the priority for affordable family housing.

- 4.13 Part B of policy 3.12 states that negotiations should take into account individual circumstances including development viability.
- 4.14 Part C of policy 3.12 identifies that where it can be demonstrated that it is not appropriate to provide affordable housing onsite it may be provided off-site or as a cash contribution where this would have demonstrable benefits in furthering the affordable housing.
- 4.15 Paragraph 3.74 identifies a range of situations where the 'on-site preference' for affordable housing maybe set aside and replaced with a pooled contribution to deliver other affordable housing outcomes. Included within these circumstances is the situation where an onsite solution would not make the best or most efficient use of available resources, hence would fail to maximize affordable housing outcomes.

**c) Local Policy**

- 4.16 The site is located within the London Borough of Camden. The adopted Development Plan (Local Pan) for the London Borough of Camden includes the following documents of relevance: the Camden Core Strategy (2010), the Camden Development Policies (2010) and the Camden Site Allocations Plan (2013).
- 4.17 Development Policies Policy DP3 relates to the supply of Affordable Housing. It states that the Council will negotiate the development of individual sites to seek the maximum reasonable amount of affordable housing on the basis of an affordable housing target of 50% of the total additional floorspace, but will apply the target with regard to a sliding scale from 10% for development with capacity for 10 dwellings to 50% for developments with capacity for 50 dwellings.
- 4.18 Policy DP3 also states that in considering whether an affordable housing contribution should be sought, whether it can practically be made on site, and the scale and nature of contribution that would be appropriate, the Council will also take into account a) access to public transport, workplaces, shops, services and community facilities; b) the character of the development, the site and the area; c) site size, and constraints on including a mix of market and affordable tenures; d) the economics and financial viability of the development including any particular costs associated with it; e) the impact on creation of mixed and inclusive communities; and f) any other planning objectives considered to be a priority for the site.

- 4.19 Supplementary Planning Document (SPD) Camden Planning Guidance 2 (CPG2 Housing) (April 2011) provides further information on the application of the Council's affordable housing policies. It sets out the Council's preferred mix of social and intermediate affordable housing. For social rent the overall aim is for 50% of homes to have 3 bedrooms or more with no more than 20% 1 beds. For intermediate the overall aim is for 10% of homes to have 3 bedrooms or more with the remainder provided as 1 or 2 bedroom units. At least 10% of both the social and intermediate homes should meet wheelchair housing standards.
- 4.20 CPG2 Housing also confirms that where a deferred affordable housing contribution is sought it will take the form of a payment in-lieu to the Council's affordable housing fund based on the shortfall against housing/ affordable housing targets, calculated in accordance with CPG8 Planning Obligations (February 2015).
- 4.21 Camden Council is preparing a new 'Local Plan' to replace the current Core Strategy and Camden Development Policies documents. The Draft Local Plan (2015) confirms that the initial findings of a new assessment of housing needs demonstrates an increased need for 1 and 2 bedroom social-affordable rented units and a decreased need for 2 bed+ intermediate affordable units.

## 5 APPROACH TO AFFORDABLE HOUSING

### a) Affordable Housing Requirements

- 5.1 The Proposed Development will deliver 156 new residential units. The number of units proposed is however limited by the constrained nature of the site which has resulted in the oversizing of units.
- 5.2 The delivery of these homes, whether private or affordable tenure, will assist LB Camden in meeting objectively assessed local housing needs in accordance with all levels of planning policy.
- 5.3 Policy DP3 requires the site to provide the maximum reasonable amount of affordable housing on the basis of an affordable housing target of 50% with flexibility having regard to viability and site specific circumstances.
- 5.4 Alongside the quantum of affordable housing there are a number of other priorities for the Council which may influence the type of affordable housing which are able to be delivered, including;
- **Meeting priority needs** - where feasible, a tenure split of 60:40 Social rent; intermediate in accordance with the London Plan;
  - **Ensuring affordability** - In perpetuity affordability in accordance with the local targets and London Plan thresholds;
  - **Obtaining value for money** – with cut backs in Council budgets and affordable housing grant, ensuring the maximum numbers of units are delivered for the lowest amount of S106 subsidy per unit is imperative; and
  - **Achieving delivery** – the Council is committed to delivering its private and affordable housing targets.
- 5.5 Policy provides flexibility for these priorities to be adjusted to reflect scheme specific circumstances, including scheme viability.

**b) Feasibility of On-Site Delivery**

5.6 Due to the challenges presented by the conversion and long term management of the listed buildings (i.e. high service charges), Lord Cameron Hall (new build) is the most appropriate location for the delivery of on-site affordable housing having regard to site specific circumstances including value for money.

**c) Viability Assessment**

5.7 In accordance with policy a Viability Assessment will be submitted to Camden Council on a confidential basis. This is to inform consideration of the affordable housing proposals and to enable the Council in determining the planning application to be confident that it represents the maximum reasonable contribution in accordance with planning policy.

5.8 The appraisal evidences that whilst the scheme viability is challenging, the site can potentially, support the delivery of an element of affordable housing on-site. The exact amount, tenure, size and location of affordable housing is subject to further discussions with the Council and will be set out in a future addendum to this statement.

## 6 SUMMARY

6.1 This document outlines the approach taken by the Applicant, alongside the Council, in determining the scale and nature of the affordable housing contribution the scheme can support.

- The application schemes will deliver 156 new residential units in a mix of new and converted building.
- The application site is a particularly challenging site to deliver as a result of site specific circumstances including the Conservation Area and the Grade II listed status of the Manyard Wing, Skeel Library, Kidderpore Hall; the Chapel and the Summerhouse.
- Camden Policy DP3 requires the site to provide the maximum reasonable amount of affordable housing on the basis of an affordable housing target of 50% with flexibility having regard to viability and site specific circumstances.
- There is an acceptance in national policy the increasing challenges facing the delivery of housing requires flexibility in terms of balancing wider policy objectives with challenging policy requirements for affordable housing. There is also an emphasis on achieving the most efficient use of available subsidy (developer and public) to deliver the best affordable housing outcomes
- A viability assessment has been prepared in accordance with policy. It evidences that whilst the scheme viability is challenging, the site can potentially, support the delivery of affordable housing on-site. The viability assessment will be made available on a confidential basis for review by the Council's independent assessor.
- Lord Cameron Hall is considered the most appropriate location for the delivery of affordable housing having regard to site specific circumstances.
- The exact amount, tenure, size and location of affordable housing is subject to further discussions with the Council and will be set out in a future addendum to this statement.