

Georgiana Street, London NW1 0QS

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# Bangor Wharf



Report to accompany planning application:

Affordable Housing Statement  
GL Hearn

February 2016



GL Hearn

# Affordable Housing Statement

One Housing Group

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19 February 2016

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### DATE

19 February 2016

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## **1. INTRODUCTION**

- 1.1. This Affordable Housing Statement has been prepared on behalf of the Applicant, One Housing Group to accompany a planning application submitted for the comprehensive redevelopment of Bangor Warf in Camden.
- 1.2. The planning application seeks planning consent for the following development proposals:  
  
*Redevelopment of site to create a residential-led mixed-use development comprising 46 residential units (Use Class C3) (18 x 1 bed, 19 x 2 bed and 9 x 3 bed), new office floorspace (Use Class B1a) (686 sq.m) with associated works to highways and landscaping following demolition of existing buildings*
- 1.3. The purpose of this statement is to provide the Local Planning Authority with information regarding the provision of affordable housing within the proposed development and the justification for that provision.
- 1.4. Section 2 of this statement will set out the relevant affordable housing policy against which these proposals are to be tested.
- 1.5. Section 3 will explain the proposed residential provision.
- 1.6. In bringing forward these redevelopment proposals extensive pre-application consultation has taken place between the Applicant's team and various stakeholders.
- 1.7. This statement should be read in conjunction with the supporting Planning and Design & Access Statements which provide further clarification in respect of the residential elements of the scheme.
- 1.8. A Financial Viability Assessment is also being submitted with the application under separate cover.

## **2. PLANNING POLICY**

2.1. In consideration of these proposals, due regard has been had to the housing policy as set out in the National Planning Policy Framework, Regional Planning Policy (London Plan) and local planning policy.

2.2. In summary, the following documents have been considered:-

### **National Planning Policy Framework (March 2012)**

### **London Plan Revised Early Minor Alterations (October 2013)**

### **London Plan (March 2015 - FALP) Policies:-**

- 3.5 Quality and Design of Housing Developments
- 3.8 Housing Choice
- 3.10 Definition of Affordable Housing
- 3.11 Affordable Housing Targets
- 3.12 Negotiating Affordable Housing on Individual Private Residential and Mixed Use Schemes
- 3.13 Affordable Housing Thresholds

### **London Housing Strategy (February 2010)**

### **London Housing Strategy Draft Consultation (April 2014)**

### **A Revised London Housing Strategy (December 2011)**

### **London Plan Housing SPG (November 2012)**

### **Draft Further Alterations to the London Plan (January 2014)**

### **LB Camden Core Strategy (adopted November 2010)**

### **LB Camden Development Policies (adopted November 2010)**

### **LB Camden Housing CPG2 (adopted July 2015)**

### **National Planning Policy Framework**

2.3. The NPPF was published on 27 March 2012 and it replaces almost all pre-existing national planning policy including Planning Policy Statement 3 Housing.

2.4. The NPPF emphasises the presumption in favour of sustainable development. The plan is also pro-growth. Paragraph 19 states *'The Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth. Planning should operate to encourage and not act as an impediment to sustainable growth. Therefore significant weight should be placed on the need to support economic growth through the planning system.'*

- 2.5. Paragraphs 173 and 174 refer to viability and in summary, state that requirements for affordable housing and other contributions should not render developments unviable whilst still providing competitive returns to a willing landowner and willing developer.

### **London Plan**

- 2.6. The London Plan has been updated by the Mayor of London – London Plan March 2015 (FALP).
- 2.7. Policy 3.12 deals with the negotiation of affordable housing on individual private residential and mixed use schemes.
- 2.8. Policy 3.12 states that ‘*The maximum reasonable amount of affordable housing should be sought when negotiating on individual private residential and mixed use schemes, having regard to:*
- a) current and future requirements for affordable housing...*
  - b) affordable housing targets adopted in line with Policy 3.11,*
  - c) the need to encourage rather than restrain residential development...*
  - d) the need to promote mixed and balanced communities...*
  - e) the size and type of affordable housing needed in particular locations*
  - f) the specific circumstances of individual sites.*
  - g) resources available to fund affordable housing...*
  - h) the priority to be accorded to provision of affordable family housing...*
- 2.9. It states further ‘*Negotiations on sites should take account of their individual circumstances including development viability ...*’
- 2.10. The Further Alterations to the London Plan includes affordable rent tenure within the definition of affordable housing (Policy 3.10) which is in line with the National Planning Policy Framework. This states that rents can be up to 80% of Market Rent.
- 2.11. The amended Policy 3.11 of the London Plan sets out the Mayor’s strategic target that 60% of affordable housing provision should be for social and affordable rent with 40% for intermediate tenure. Priority should be accorded to provision of affordable family housing.
- 2.12. The London Plan acknowledged (paragraph 3.63) the introduction of affordable rent tenure by the Government. The Mayor has consulted on changes to the adopted (2010) London Housing Strategy. The April 2014 initial proposals consultation stated that the revised strategy would seek to deliver Affordable Rent at an even split between two housing options: homes ‘capped’ at low affordable rents and homes at ‘discounted rents’, set at the lower of up to 80% market rent or the local housing allowance. The funding prospectus seeks to supply new high quality smaller homes for rent as well as homes that are 3 bedroom or more. This is emerging policy.

### **LB Camden Core Strategy**

- 2.13. The LB Camden Core Strategy was adopted in November 2010.
- 2.14. Paragraph 1.22 recognises the importance of encouraging developments with high densities in the most accessible parts of the borough, such as Central London.

- 2.15. Paragraph 1.25 notes that the Council will encourage the provision of a mix of uses in suitable locations.
- 2.16. Paragraph 3.5 states that the Council will generally expect larger developments in highly accessible areas to include a mix of uses.
- 2.17. Policy CS6 states that housing is the priority land-use of Camden's Local Development Framework.
- 2.18. New housing should seek to meet a borough wide target of 50% of all units subject to site characteristics, location and overall scheme viability. A borough guide is 60% social rented and 40% intermediate based on unit numbers. The Council is seeking a diverse range of housing products.
- 2.19. For all new social rented housing the Council has recognised homes with 4+ bedrooms as the highest priority with 3 bed homes also a high priority. For intermediate housing, the Council has identified homes with 2 or more bedrooms as a high priority, with 1 bed homes as a medium priority. For market housing the priority is for 2 bed homes. This is not a prescriptive mix across all sites in the borough. The preferred affordable housing mix in terms of unit size and mix of dwellings on individual sites will be determined through negotiation, scheme viability assessment and up to date assessment of housing need.

#### **LB Camden Development Policies**

- 2.20. The Camden Development Policies was adopted in November 2010 and forms part of the Council's Local Development Framework (LDF).
- 2.21. The Camden Development Policies Local Development Framework is one of the main mechanisms by which LB Camden will seek to deliver objectives in the Core Strategy.
- 2.22. Policy DP1 states that the Council will require a mix of uses in development where appropriate in all parts of the borough, including a contribution towards the supply of housing.
- 2.23. Policy DP2 states that the Council will seek to maximise the supply of additional homes in the borough, especially homes for people unable to access market housing including expecting the maximum appropriate contribution to supply of housing on sites that are underused or vacant, taking into account any other uses that are needed on the site.
- 2.24. Policy DP3 states that the Council will expect all residential developments with a capacity for 10 or more additional dwellings to make a contribution to the supply of affordable housing. The policy also states that the Council will apply the 50% affordable housing target with regard to a sliding scale from 10% for developments with a capacity for 10 dwellings to 50% for developments with capacity for 50 dwellings. However the sliding scale is not applicable to mixed-use developments. The policy is to be applied flexibly, including taking viability into account.
- 2.25. Policy DP5 sets out the Dwelling Size Priorities Table, details of which have been explained above in paragraph 2.19. The policy states that the Council will aim for at least 50% of social rented dwellings and 10% of intermediate affordable dwellings in each scheme to be large homes with 3+ bedrooms and for at least 40% of market homes to contain 2 bedrooms. CPG2 July 2015 provides a more up-to-date policy split.
- 2.26. Policy DP6 states that all new homes are to be built to Lifetime Homes standards with 10% to be wheelchair accessible or easily adaptable.



## **Camden Planning Guidance (CPG2 Housing) July 2015**

- 2.27. The Council adopted CPG2 Housing in July 2015.
- 2.28. The document is a Supplementary Planning Document which is a material consideration in planning decisions.
- 2.29. It states that affordable housing includes social and affordable rent housing and intermediate housing.
- 2.30. Residential and mixed use development adding 1,000sqm or more gross housing should provide affordable housing.
- 2.31. Most mixed use developments should provide 50% affordable housing.
- 2.32. A sliding scale will apply for mixed use schemes where the development has less than 1,000sqm of non-residential floor space but has a residential capacity of 10-49 homes (i.e. 1,000sqm to 4,900sqm residential floor space) (Paragraph 2.35).
- 2.33. The floor space thresholds referred to in Development Policies DP1 and DP3 refer to gross floor space and will be calculated based on GEA (Gross External Area).
- 2.34. Thereafter the split between social-affordable rent and intermediate will be based on net internal floor space (Paragraph 2.44).
- 2.35. The document recognises that the preferred tenure split can be subject to negotiation based on individual site circumstances including viability (Paragraph 2.47).
- 2.36. Social-affordable rent dwelling size priorities are listed as follows:-
- 1 bed homes – no more than 20%
  - 2 bed homes – 30%
  - 3 bed homes – 30%, or 50% if no 4 bed homes are provided
  - 4 bed homes – 20%
- 2.37. Intermediate dwelling size priorities are listed as follows:-
- Studio homes – A proportion of studios might be acceptable, but schemes where all intermediate homes are studios are generally resisted
  - 1 bed homes – A proportion is expected in all schemes
  - 2+ bed homes – A proportion may be included where they will be affordable. These are likely to be provided for intermediate rent rather than shared ownership
- 2.38. The mix is to be negotiated on a scheme by scheme basis (Paragraph 2.57).
- 2.39. The document recognises that public subsidy will usually be needed to meet the Core Strategy affordable housing levels.

#### **LB Camden Draft Local Plan**

- 2.40. The Council has published a draft Local Plan for consultation. A revised draft will be consulted upon in early 2016.
- 2.41. The Council proposes to increase its housing target by over 1,000 additional homes per year up to 2030/2031.
- 2.42. The 50% affordable housing target with a split of 60% social-affordable rent and 40% intermediate will remain.

#### **LB Camden Tenancy Strategy**

- 2.43. The Council published its strategy in January 2013. The contents of this have been noted.

### 3. PROPOSED RESIDENTIAL PROVISION

3.1. The scheme proposals are for a residential-led, mixed use development which includes residential use and office (B1) use.

3.2. The scheme will include the provision of 46no. residential units.

3.3. The proposed new residential accommodation would be located on the site formerly used as a depot for EDF, bordered by Georgiana Street to the south and Regents Canal to the north-east.

3.4. In summary the **overall residential mix** will comprise:-

Unit Type	Private	Social / Affordable Rent	Shared Ownership	Total	% of units
1 bed, 2 person flats	14	1	3	<b>18</b>	39.1%
2 bed, 3 person flats	1	2	0	<b>3</b>	6.5%
2 bed, 4 person flats	11	4	1	<b>16</b>	34.8%
3 bed, 5 person flats	7	2	0	<b>9</b>	19.6%
<b>Total</b>	<b>33</b>	<b>9</b>	<b>4</b>	<b>46</b>	<b>100.0%</b>

3.5. The scheme will therefore comprise 13no. affordable housing units which equates to 29% of the Gross External Area (28.3% on a unit basis).

3.6. The total net internal floor areas are as follows:-

Tenure	NIA sqm	% of NIA
Private	2,207	71.9%
Social rent	174	5.7%
Affordable rent	467	15.2%
Shared ownership	220	7.2%
<b>Affordable sub-total</b>	<b>861</b>	<b>28.1%</b>
<b>Total</b>	<b>3,068</b>	<b>100.0%</b>

3.7. The social/affordable rent units will be located Block A over the ground and four upper floors. A 1 bed flat at ground floor level will be fitted out for wheelchair use as agreed with the Housing Department.

3.8. The shared ownership units will be located in Block B over floors one to three, sharing a core with private units.

3.9. The affordable housing mix comprises a tenure split of 69%:31% social/affordable rent to shared ownership on a unit basis (74%:26% on a NIA floor area basis as per CPG2).

3.10. This is in excess of the 60%:40% target within the Local Plan and emerging draft Local Plan.

- 3.11. The **affordable housing** element of the scheme will comprise the following:-

Unit Type	Social Rent	Affordable Rent	Shared Ownership	Total	% of units
1 bed, 2 person flats	0	1	3	<b>4</b>	30.8%
2 bed, 3 person flats	0	2	0	<b>2</b>	15.4%
2 bed, 4 person flats	0	4	1	<b>5</b>	38.4%
3 bed, 5 person flats	2	0	0	<b>2</b>	15.4%
<b>Total</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>13</b>	<b>100.0%</b>

- 3.12. Looking at the **rented** element of the scheme compared to the target split between unit sizes contained within CPG2, 11% of the units will be 1 beds which is well below the 20% maximum figure. The remainder of the units are 2 and 3 bed units, with 22% being 3 bed 5 person units let at social rents. Although below the 30-40% target for 3 bed+ units, these are the most unviable units and a separate Financial Viability Assessment is being provided under separate which justifies the overall level of affordable housing.
- 3.13. The **shared ownership** element of the scheme is largely targeted at 1 bed units which will be more affordable. There will be a single 2 bed unit on a lower floor. This is in accordance with CPG2.
- 3.14. All units will have amenity space in the form of private balconies/terraces and there will be further communal amenity areas.
- 3.15. The **private** element of the scheme will comprise the following:-

Unit Type	Private	% of units
1 bed, 2 person flats	14	42.5%
2 bed, 3 person flats	1	3.0%
2 bed, 4 person flats	11	33.3%
3 bed, 5 person flats	7	21.2%
<b>Total</b>	<b>33</b>	<b>100.0%</b>

- 3.16. It is considered that by virtue of the site's location east of Camden town centre that the focus on smaller 1 and 2 bedroom private units is consistent with likely demand however the scheme provides a range of unit sizes including family units.
- 3.17. All the private units in the scheme will have amenity space in the form of private balconies/terraces and there will be further communal amenity areas.

### Rent Policy

- 3.18. The 3 bedroom rented units will be let at social rents (target rents). This will be secured in the Section 106 Agreement.

- 3.19. The remaining affordable rent units will be let on the basis of affordable rents well below the 80% of Market Rent permitted by Government policy.

**Pre-Application Consultation**

- 3.20. The Applicant has liaised extensively with the Council at the pre-application stage with regard to the proposed residential accommodation. A Financial Viability Assessment is being submitted with the application under separate cover which justifies the overall level of affordable housing provision.

**Section 106 Agreement**

- 3.21. The proposed affordable housing units will be secured under a Section 106 Agreement in the usual manner.

#### **4. CONCLUSIONS**

- 4.1. The scheme will provide 13no. on-site affordable housing units in an expensive part of London where new affordable housing is in demand.
- 4.2. The affordable housing mix comprises a tenure split of 69%:31% social/affordable rent to shared ownership on a unit basis (or 74%:26% on a habitable room basis). This is in excess of the Local Plan and emerging draft Local Plan requirement.
- 4.3. The 3 bedroom rented units will be let at social rents (target rents) ensuring they are affordable to those most in need.
- 4.4. The overall level of affordable housing is 29% of the Gross External Area (28.3% on a unit basis; and 28.1% on an NIA floor area basis in accordance with CPG2).
- 4.5. The Council's policies recognise that scheme viability is important and that a development can provide a lower level of affordable housing and still be policy compliant.
- 4.6. We consider that the scheme proposals are policy compliant and they will provide good quality affordable housing in an expensive part of the borough.